

NORTHLANDS
ANNUAL
REPORT 09



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FINANCIAL HIGHLIGHTS

December 31, 2009

(\$ Thousands)

	2009	2008	2007
<i>Revenues</i>			
Northlands Major Events	15,894	16,699	17,819
Agriculture	2,918	3,634	2,332
Racing & Gaming	69,262	76,972	76,634
Sales, Hospitality and Client Services	46,468	42,148	50,411
	134,542	139,453	147,196
<i>Event Contributions*</i>			
Northlands Major Events	1,626	1,915	2,785
Agriculture	(611)	(644)	(664)
Racing & Gaming	(7,051)	(4,681)	(3,850)
Sales, Hospitality and Client Services	5,244	4,809	5,912
	(792)	1,399	4,183
<i>Net Earnings (Loss)</i>			
Northlands Major Events	1,494	1,758	2,625
Agriculture	(789)	(829)	(743)
Racing & Gaming	1,233	1,044	(253)
Sales, Hospitality and Client Services	6,495	5,767	6,882
Other**	(6,378)	(7,174)	(3,698)
	2,055	566	4,813
Working capital surplus / (deficiency)	(9,846)	(26,624)	31,160
Long-term debt (non-current)	59,183	2,266	2,404
Net Assets	39,840	37,785	37,219
Capital expenditures	54,571	64,831	27,701
EBITDA***	7,418	5,991	9,561

* Before grants, interest and depreciation.

** Indirect grounds and building maintenance, administration and corporate programs, sales and marketing, net grant revenue and other income.

*** Earnings before interest, taxes, depreciation and amortization.

LETTER FROM EXECUTIVE

The global economy was hard on everyone in 2009. Though we certainly felt its impact at Northlands, we performed with great resolve, validating that our business model is solid. We attracted over four million visitors to over 2500 events, generating economic activity in excess of \$1 billion.

Northlands' performance is closely aligned with the economic conditions in our region. As a leader in business, agriculture and entertainment, our major activities revolve around live experiences and trade and consumer shows, so our ticket sales, gate receipts and food and beverage sales are closely connected to the amount of disposable income available in Edmonton and north-central Alberta. Total annual revenue for 2009 was \$135 million, representing a 3.5 per cent decrease from 2008. But that's not the real story. Net earnings were \$2 million, up from \$566 thousand last year, demonstrating Northlands business expertise within a challenging economic climate.

Northlands was built for times like these

In a year defined by a global economic recession, we completed the \$152 million (including \$2 million in capitalized interest) Edmonton Exposition and Conference Centre. This was a three-year project that came with a unique set of challenges, yet we managed this project with little impact to operations and still delivered high levels of satisfaction to our clients. The Edmonton EXPO Centre is unquestionably the premiere exhibition venue in Western Canada and the largest outside of Toronto.

We also made changes to streamline our governance structure. We created a Board of Governors made up of our former Honorary Life Directors, and reduced the size of our elected Board of Directors – from 18 to 12, to be phased in over three years. These adjustments are in line with industry best practices. We feel this will put us in the best position to make good decisions and provide the strategic oversight to help Northlands thrive.

2009 validated our business plan

Northlands financial performance for 2009 demonstrates our teams' expertise in fiscal management and program innovation. The team did a phenomenal job of managing expenses and instituting cost containment methods throughout all operating areas as we progressed into a tough second and third quarter. Though we have always had a good reputation for managing costs, we took this to a new level in 2009 and it paid off. We also held strong on our commitment to deliver exceptional experiences and made big economic impacts last year:

- Venues Today named Rexall Place one of the top ten venues in the world and Pollstar ranked it the third busiest in Canada. Forty-two concerts, 13 family oriented shows, five comedy acts and an abundance of sporting events – in addition to Oilers and Oil Kings hockey action – helped us achieve ticket sales just 5000 shy of Toronto's Air Canada Centre. Revenues were also higher than expected thanks to increased food and beverage sales;
- We are thrilled to have extended our contract with the Canadian Professional Rodeo Association and will offer the non-stop action of Canadian Finals Rodeo through 2016. The Canadian Finals Rodeo provides a significant economic impact and we are happy to provide the market with some assurance around this event given these uncertain times;

- The opening weekend for our annual fair, Capital EX, was impacted by a terrible storm that affected our revenues but profiled the tenacity and commitment of our staff who worked to keep crowds safe and get our site back up and open as quickly as possible;
- Despite a soft agriculture market we had an overwhelmingly positive response to changes we made to Farmfair International and the Northlands Farm and Ranch Show. Next year will bring even more innovations to programming for this sector; and
- Home to Roar of the Rings, we hosted 17 curling draws in nine days, igniting curling fans' Olympic spirit as Canada selected the men's and women's curling teams that represented our country at the 2010 Winter Olympics.

The year ahead

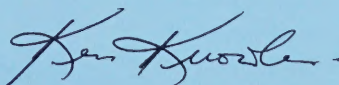
For 2010 we are predicting another year of economic uncertainty. Although the pace of economic growth is expected to improve in 2010, we will manage costs with the same rigor as 2009 and keep our focus on three key priorities: Racing and Gaming sustainability, growth through the Edmonton EXPO Centre and positioning Northlands as key contributor to Edmonton's arena discussion:

- There's no question horse racing, throughout North America, is at a crossroads. Northlands will be part of an important industry conversation that will determine how Alberta's racing industry can be sustainable.
- The Edmonton EXPO Centre has the potential to contribute significant economic impact in the Edmonton region and we intend to drive that growth.
- Last year, Northlands continued our leadership role with our stakeholders to define a working framework for a new sports and entertainment complex for Edmonton. This is an exciting vision for our city, and in 2010 we will continue to support the potential for a downtown arena that is financially viable and in the best interests of the entire community.

In closing, we would like to thank our outstanding leadership team, our 2200 volunteers, our 300 full-time and our 1300 event staff, for their leadership during these challenging times. They have continued to deliver the types of exceptional experiences our guests have come to expect from Northlands and they are the reason we continue to thrive. We also thank our Board of Directors, Board of Governors, partners, sponsors and stakeholders for your unwavering support of our mandate. Northlands is very proud of our 130 year history and looks forward to supporting our City in making it the best place to live and play in 2010.



Andrew Huntley
Chair, Northlands Board of Directors



Ken Knowles
President

PERFORMANCE HIGHLIGHTS FOR 2009

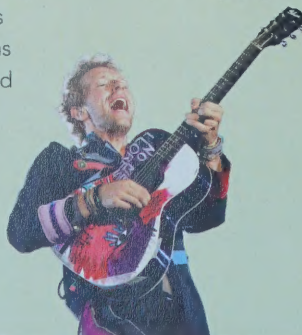
\$595 MILLION
IN ECONOMIC ACTIVITY EXPECTED

EDMONTON EXPO CENTRE

The Edmonton Exposition and Conference Centre is now open. And it's ready to set the stage for even more excitement. With a total contiguous space of over 522,000 square feet, the new Edmonton EXPO Centre is unquestionably the premiere exhibition venue in Western Canada and the largest outside of Toronto. It's THE NEW BIG in conferences, tradeshows, meetings and entertainment. Which means big things for the local economy and for Edmontonians who will experience the very best events and entertainment all under one very big roof. The Edmonton EXPO Centre is expected to drive \$595 million in economic activity through 2010.

SALES, HOSPITALITY AND CLIENT SERVICES

Pollstar named Rexall Place the third busiest arena in the country thanks to solid attendance at a spectrum of sporting events, 42 concerts, 13 family shows, five high profile comedy acts and what we considered our most spirited event of the year, the Roar of the Rings. We hosted as much curling as you could pack into nine days, igniting curling fans' Olympic spirit as Canada selected the men's and women's curling



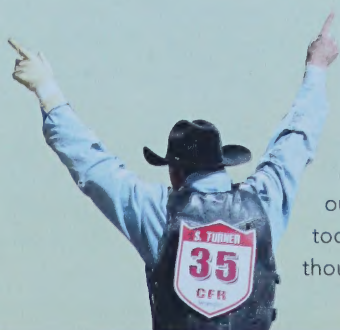



CANADIAN FINALS RODEO ATTENDANCE
83,000

CANADIAN FINALS RODEO

teams that represented our country at the 2010 Winter Olympics. In Rexall Place alone we bring Edmontonians to their feet an incredible 240 days a year—delivering the biggest stars, unforgettable shows and world-class sporting events and entertainment. As a result, Sales, Hospitality and Client Services once again exceeded expectations, increasing revenues by \$4.3 million.

The west turns wild every year as thousands of fans take in the non-stop action of the Canadian Finals Rodeo. Northlands and destination hotels collaborated to offer the largest purse in the history of the Canadian Finals Rodeo – making certain over 83,000 fans witnessed the best rodeo competition in Alberta in 2009. CFR creates a considerable economic impact in the city, so we are especially proud to have extended the contract to host this action-packed event through 2016. Creating this kind of certainty in an uncertain market is a big deal for our city and it's good for Northlands too. This year CFR contributed \$378 thousand to Northlands' earnings.





CAPITAL EX ATTENDANCE
717,245

CAPITAL EX

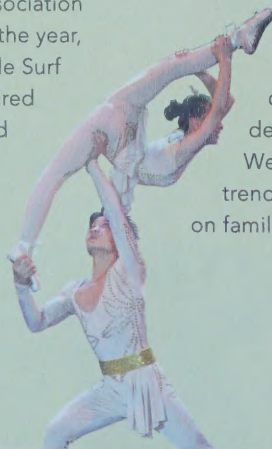
Capital EX got bigger and better again this year. We held on to our tradition of offering the best live entertainment from around the world by hosting the Canadian premiere of Cirque Shanghai Bai Xi, the International Association of Fairs and Exhibitions attraction of the year, Wild World of Lions, FlowRider Mobile Surf Party – where fair goers learned to shred waves like the experts – and the Food Network's Chef David Adjei, who inspired fans surrounding his shows on our Sip! stage.

For the first time, Northlands was able to execute on its long-term strategy to have Capital EX extend over two full weekends.

Unfortunately, a severe storm affected our fair on its opening weekend, significantly impacting revenue.

Net earnings were \$854 thousand over 2008, notwithstanding the decrease in revenues of \$623 thousand.

We are hopeful this upward earnings trend will continue as we put more focus on families in 2010.






HIGHEST SINGLE-DAY
WAGERING TOTAL
\$1.1 MILLION

RACING AND GAMING

In 2009, Northlands Park hosted 132 days of high calibre horse racing. The Canadian Derby garnered the highest single-day wagering total for live racing in Edmonton in nine years when almost \$1.1 million was bet and then the 2009 Alberta Fall Classic produced a double-digit increase in wagering.

There is, however, no doubt that this industry is struggling across North America with gaming in Alberta down 10 per cent last year – impacts that were also felt at Northlands Park. Our total handle reached \$87.6 million (\$101.5 million in 2008), a 13.7 per cent decrease from last year, and although the decrease is significant, we managed the business with discipline, generating \$2.6 million in earnings before depreciation and amortization for Northlands.





BROADCAST TO OVER 143 MILLION HOMES
**ACROSS 36 COUNTRIES
WORLDWIDE**

THE EDMONTON INDY

This year's Edmonton Indy, with Rexall as the title sponsor, was an operational success with 24 cars on the starting grid. We have proven to be an effective race operator and the Indy Racing League is very happy with the calibre of the event that Northlands produced. Auto racing fans across North America saw the best in open-wheel racing right here in our city.

The Edmonton Indy is a high profile event for Edmonton, as we are able to bring the world to our city, and reach broad national and international audiences. The race was

broadcast to over 143 million homes across 36 countries worldwide with coverage appearing on over 98 different Internet sites and in over 75 different newspapers. We met our expense targets through a reduction of \$4.3 million in expenses over 2008, without diminishing the quality of the race. We did have a revenue

shortfall that is directly related to the recession, which affected everything from sponsorship to tickets sales to food and beverage consumption, resulting in a \$3.9 million dollar financial shortfall in 2009 (compared with \$5.3 million in 2008).





ATTENDANCE AT
FARMFair
INTERNATIONAL
CLIMBED 20%

AGRICULTURE

All new Women in Agriculture programming, an even bigger Dodge City, the launch of Envirotech and the introduction of the crowd pleasing Alberta Grows Food Show helped us attract thousands of guests and exhibitors to our two big agriculture shows. Programming innovations introduced at the Northlands Farm and Ranch Show earned us industry accolades. Attendance at Farmfair International climbed 20 per cent over 2008 figures.

We continue to invest and build opportunities for future growth solidifying our position as a global leader in agricultural events. We are especially pleased with Agriculture's performance, as it is the only business segment that has recovered beyond 2007 revenue levels. We attribute this success to our strategy to move key programming elements into two seasonal windows in the spring and fall.

This helped us better control costs, attract greater attendance and introduce programming that earned us much industry praise.



VOLUNTEER BOARD OF DIRECTORS



Judy Batty
Volunteer since 2001
Member since 2002
Director since 2008



Doug Bienert
Volunteer since 1973
Member since 1973
Director since 1998



**Jerry Bouma,
Past-Chair**
Volunteer since 1993
Member since 1995
Director since 1999



Rick Carter
Volunteer since 1995
Member since 2002
Director since 2002



Don Clipperton
Volunteer since 1995
Member since 1998
Director since 2007



Jennifer Fisk
Volunteer since 2004
Member since 2006
Director since 2006



Laura Gadowsky
Second Vice-Chair
Volunteer since 1993
Member since 1995
Director since 2003



Randy Garvey
Volunteer since 2005
Member since 2005
Director since 2005



**Andrew Huntley,
Chair**
Volunteer since 1972
Member since 2002
Director since 2002



Scott Kashuba
Volunteer since 2004
Member since 2006
Director since 2008



**Harold Kingston,
FCA**
Volunteer since 2000
Member since 2000
Director since 2001



Earl Klapstein
Volunteer since 1992
Member since 2002
Director since 2006



Betty Loree
Volunteer since 1983
Member since 2008
Director since 2008



Dave Majeski
Volunteer since 2008
Member since 2008
Director since 2009



Burke Perry
Volunteer since 1970
Member since 1985
Director since 1996-99,
2007



Wendy Schneider
Volunteer since 1994
Member since 1994
Director since 1998



Bob Walker
Volunteer since 1987
Member since 1988
Director since 2007



**John Windwick,
First Vice-Chair**
Volunteer since 1997
Member since 1997
Director since 2000

Community Appointments



Chief Cam Alexis
Volunteer since 2008
Member since 2008
Director since 2008



Howard Weir
Volunteer since 1996
Member since 1996
Director since 1996

Directors Representing the City of Edmonton



Coun. Tony Caterina
Director since 2007
Member since 2009



Coun. Ron Hayter
Director since 2007
Member since 2009



Mayor Stephen Mandel
Director since 2004



Coun. Ed Gibbons
Director since 2007
Member since 2009



Coun. Kim Krushell
Director since 2007
Member since 2009

Honourary Directors

**His Honour, the Honourable
Norman Kwong, CM, AOE**
Lieutenant-Governor of Alberta

The Honourable Ed Stelmach
Premier of Alberta

All Members of City Council
City of Edmonton

Directors Representing the Government of Alberta



Naresh Bhardwaj,
MLA
Director since 2008

Directors Representing the Government of Canada



Susan Green
Volunteer since 2003
Director since 2007

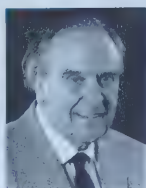
Board of Governors



Jim Campbell



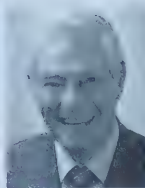
Dale Cole



Don M. Hamilton



W.J.M. (Bill) Henning



Harry Hole



Warren Holte



Don F. Jackson



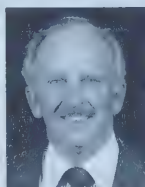
Dale Leschiutta



Mike Marples



A. Ross McBain



H.L.D. (Len) Perry



JR Shaw



Allan A. Shenfield



Don H. Sprague



Dr. Robert Westbury



Gordon Wilson



Eric Young



Gerry Yuen

OUR VOLUNTEERS

2009 marked 130 years of an impressive volunteer tradition at Northlands. Each December, Northlands holds Volunteer Appreciation Night to celebrate the wide array of volunteers who provide exceptional service during Capital EX, the Edmonton Indy, Farmfair International, Canadian Finals Rodeo and other Northlands events. Without volunteers, we could not operate. In 2009, our volunteers contributed in excess of 34,000 hours of service to Northlands' programs and events.

Abday, Barbara	Athaide, Steve	Benbow, Linda 'Ruth'	Bouma, Burke
Abercrombie, Blaire	Atkins, Cathlyn	Benbow, Lloyd ⁵	Bouma, Carrah
Abercrombie, Linda	Atkinson, James	Bencharsky, Natalia ⁵	Bouma, Gerben 'Jerry'
Acker, Elizabeth 'Liz'	Atkinson, Martin	Beniuk, Stella	Bourbonnais, Jane
Acker, Robert 'Rob'	Au, Huey	Benke, Dennis	Bowes, Dianna
Adams, Deana	Aubin, Dennis	Benluzanski, Slawomir	Boyce, Jessica
Adams, Ella 'El'	Awbery-Sidall, Ada	Bennett, Gary	Boyce, Linda
Adams, James 'Jim'	Awid, Ken ⁵	Bennett-Wrisdon, Susan	Boyce, Samantha 'Sam'
Adams, Janet 'Lynn' ⁵	Badowsky, Walter	Bentley, David 'Bruce' ⁵	Boyles, Wayne
Adams, Robert 'Bob'	Baek, JungKyun 'JK'	Bereti, Eva	Bramwell, Lauren
Adolf, Elizabeth 'Liz'	Bagan, Elaine	Berezanski, Shannon	Brandon, Kathleen 'Kat'
Adolphson, Helene	Bagshaw, William 'Bill' ⁵	Berkholtz, Gwen	Brandson, Dianne
Aginas, Adele	Baier, Julia 'Julie'	Bertholet, Andre 'Andy'	Brandt, Gerald
Ahlskog, Lois	Bailey, John 'Jack' ⁵	Beson, Tammie	Brandon, Kathleen 'Kat'
Albert, Marilyn	Baird, Douglas	Best, Lyle ⁵	Brechin, Beverley 'Bev'
Albright, Rebecca 'Becky'	Baird, Nancy	Bezair, Eldon	Breuer, Rita
Aldridge, Alan	Baker, Patti	Bezair, Elizabeth 'Betty'	Breuer, Willi
Alexander, Sean	Bakke, Jodi ⁵	Bhardwaj, Naresh	Brewka, Dirk
Alexis, Bertha	Bakker, Harvey	Bidlock, R. 'Peter' ⁵	Brewka, Sharon
Alexis, Cameron 'Cam'	Bakker, Pamela 'Pam' ⁵	Bienert, Douglas 'Doug' ⁵	Brickner, Diane ⁵
Alexis, Doreen	Ball, T. Raymond 'Ray' ⁵	Bienert, Helen	Broadfoot, Daniel
Alexis, Isabella 'Bella'	Ball, Victoria 'Vicki'	Bienert, Tyler	Broda, David
Alexis, Jacob	Barnson, Kathleen	Bijou, Lauraine	Brodeur, Steven
Alexis, Kathleen	Bannard, Bruce ⁵	Bijou, Robert	Brown, Brian
Alexis, Louise	Baquirin, Filipina	Bilda, Marie	Brown, David
Alexis, Roderic	Barabash, Bert	Billett, Barry	Brown, Deborah
Alexis, Stanley	Barabash, Gladys	Billett, Linda	Brown, Kristy
Allan, Daniel	Barabash-McCann, Angela	Bird, Richard	Brown, Richard 'Rick'
Allen, Robert 'Robb'	Barber, Blaine	Bissani-Armstrong, Lina	Brown, Ronald
Alleyne, Michael	Barnhouse, Donald 'Don'	Bissett, William 'Bill' ⁵	Brown, Ross ⁵
Alsmo, Lolain	Baronasky, Katherine	Black, Ashley	Brown, Vera
Andersen, Dianne	Barrie, Ronald 'Ron'	Black, Melissa	Brownie, Lisa
Anderson, Bryan	Barszczewski, Deborah 'Deb'	Blade, Carsten	Brownlee, Jeannette
Anderson, Jay	Barwell, Sandy	Blair, Ruth	Brownlee, HLM James
Anderson, John	Batt, Diane	Blake-Leavitt, Daphne	Bruce, Elaine
Anderson, Karen	Batty, Jane ⁵	Blanchette, Diane-Ellen	Brunet, Murielle
Anderson, Randie	Batty, Judith 'Judy' ⁵	Blanchette, Madeleine	Bryski, Robin
Andreeff, Georgina	Bauman, Tracey	Blatz, Charmaine	Buba, Jordan
Andresen, Lillian	Baumgardner, Darren	Blize, Clint	Buchanan, Donald ⁵
Andrews, Chad	Bavato, Dennis	Blize, Joan	Buchkowsky, Terry
Andrichuk, Lenny ⁵	Bavato, Harry	Blume, Marlene	Buckle, Georgina
Andrushak, Maxine	Bayrak, Jerry	Blumentrath, Ursula	Buddle, Harry ⁵
Annicchiarico, Tracy	Bayrak, Marion	Bodell, Florence 'Flossie' ⁵	Budlong, Allan
Arcand, Verden	Be, Hao	Bodell, Laura ⁵	Buffalo, Chrystin
Ardiel, Nancy 'Linda'	Beauchamp, Gerard 'Gerry'	Bodell, Lorne ⁵	Buist, James
Armstrong, Bernice	Beauchamp, Victoria 'Vicky'	Bodnar, Monica	Burak, Jacque Lynne
Armstrong, Beverley 'Bev' ⁵	Beauchesne, Gitan	Bohn, Judy	Buretia, Codrut
Armstrong, Fraser	Becker, Bart ⁵	Boivin, Gilles	Buretia, Manuela
Arnold, Yvonne	Beedle, Darren	Boivin, Rolande	Burke, James
Arnoldussen, Linda ⁵	Belanger, Bradley 'Brad'	Bolivar, Timothy	Burns, Donald 'Don'
Arnston, Don	Belanger, Dale	Borle, Karen	Burns, Margaret 'Peggy'
Ash, Donald	Belanger, Dennis	Boston, Tim ⁵	Burns, Susan 'Valerie'
Ashbacher, Darrel	Belcourt, Virginia	Bottoms, Donna	Burns, Terry
Ashbacher, Wendy	Belsher, Ricky	Bottos, Duane	Burton, Jessica
Ashta, Nishchay	Benbow, John 'Allen'	Boult, Donald	Burwash, Florence 'Flo'
			Bush, Darlene

Bush, William 'Bill'
 Butler, George ⁵
 Butler, Patricia 'Pat' ⁵
 Butti, Olivia ⁵
 Byers, Richard ⁵
 Byford, Steven
 Campbell, Colin ⁵
 Campbell, Gary ⁵
 Campbell, R. 'Jim' ⁵
 Camrose Regional Exhibition ⁵
 Caputo, Carlo
 Carbert, Ryan
 Carbone, Mariesa ⁵
 Cardinal, Chesare
 Cardinal, Doreen
 Cardinal, Yvonne
 Carleton, Gil
 Carlin, Arnold
 Carlson, Arne
 Carlson, Ruth
 Carlyle, Art ⁵
 Carmichael, Gord
 Carnegie, Margaret
 Carrilho, John
 Carroll, Peter
 Carson-Handley, Patricia
 Carstairs, Cindy ⁵
 Carstairs, Gail
 Carstairs, Kimberly 'Kim'
 Carter, Richard 'Rick' ⁵
 Caterina, Antonio 'Tony' ⁵
 Cavanagh, Terrence 'Terry' ⁵
 Cawson, Tom
 Champion, Warren
 Chang, Hsiu-Ju 'Alicia'
 Chapeskie, Beth
 Chapman, John
 Chapman, Sue
 Chartier, Doreen
 Chau, Germaine
 Cherneskey, Russell ⁵
 Cherney, Dan ⁵
 Chesterman, Ella
 Chmilar, Larry
 Cholak, Francis 'Frank' ⁵
 Choma, Margaret
 Chomiak, John ⁵
 Chopp, Doreen
 Chopp, Samantha
 Choquette, Suzanne
 Chornoluk, Richard
 Chow, Rosie
 Christ, Jean ⁵
 Christensen, Bradley
 Christiansen, Donald ⁵
 Chupa, Charles
 Clark, Alyssa
 Clark, Bonnie 'Bonni'
 Clark, Marion
 Clark, Scott
 Clarke, James (Jim)
 Clarke, Jesusa 'Susie'
 Clarke, Norma
 Clarke, Shawna
 Clarke, C.M. Donald ⁵
 Cleaver, Dale
 Cleaver, Dennis
 Cleaver, Derrick

Clennell-Desmarais, Kolbi
 Clipperton, Donald ⁵
 Clipperton, Karen ⁵
 Coatta, Donna-Rae
 Cole, Dale ⁵
 Collier, Lisa
 Collins, Christine 'Chris'
 Collins, Darlene
 Collins, Leilani
 Collum, F. 'Elaine'
 Comer, Eve
 Connelly, Gerald 'Gerry' ⁵
 Connelly, Glenn ⁵
 Conroy, Bridget
 Cookson, John
 Coombs, Myrna
 Copeland, Eleanor
 Copeland, James 'Jim'
 Corbin, Matthew
 Cormier, Sherry
 Cosman, Kimberley
 Cote, James
 Cotta, Giselle
 Court, Jane
 Cox, Rebecca
 Craig, Tracey
 Crane, Stephen
 Cribb, Daniel
 Crier, Beverly
 Crier, Mary
 Crier-Rahaman, Sherina
 Cripps, Shirley
 Criss, Kenneth
 Crockett, Donald 'Don'
 Cronin, Randall 'Randy'
 Crowther, Muriel
 Cumming, James ⁵
 Cunningham, Bruce
 Cunningham, Jr., Bruce
 Cunningham, Gerald
 Cunningham, Kenneth 'Ken'
 Currie, Dekker
 Curwen, Adrian
 Cyre, Clifford
 Czaja, Jacqueline
 Czuroski, Rodney
 D'Agnone, Shannon
 Dallyn, Ghislaine
 Dam, Annette
 Damabi, Behnam
 Daniel, Jacqueline
 Danyluk, Kevin
 Darling, Dion
 Dasilao, Mafel Dawn
 David, Catherine
 David, Robert
 David, Robert 'Kevin'
 David, Wannette
 Davies, Kenneth 'Ken' ⁵
 Davies, Trevor ⁵
 Davis, Shannon
 Davison, Linda ⁵
 Davison, Tonya
 Day, Courtney ⁵
 Daynard, Deanna
 de Champlain, Patricia
 de Champlain, Remi
 de Leon, Leticia

de Rappard, George ⁵
 De Roij, Rod
 Dean, John
 Dean, Maureen ⁵
 Dean, Tracey
 Dean, William 'Bill'
 Debolt, Deborah
 Dechaine, Alfred 'Fred'
 Deeks, Gordon ⁵
 Deiter, Krystal-Lynne
 del Rosario, Roberto
 Dembinski, Kristina
 Demers-Collins, Simone
 deMilliano, Emile ⁵
 Denney, Janice
 Denney, Norman 'Norm'
 Dennis, Allen
 Derenowsky, Mike
 Derewynka, Annie 'Ann'
 Desmarais, Goota
 Devanthey, Stella
 Dewes, Barry
 Dewes, Doreen
 Differenz, Valerie ⁵
 Differenz, Virginia ⁵
 Dion, Gisele
 Dixon, Barbara 'Barb' ⁵
 Dixon, Robert
 Dobush, Kenneth
 Dodds, Jamieson 'Jamie'
 Doherty, Joe
 Dolynchuk, Lawrence
 Donais, Melody
 Donald, Ross
 Donald, Tana
 Dong, Annie
 Doolittle, Douglas ⁵
 Doran, Jillian 'Jill'
 Dove, Frank
 Downey, Brenda
 Drouin, Jenny
 Dubois, Louise
 Dubois, Richard 'Rick'
 Duckett, Ruth
 Duff, Donald 'Don' ⁵
 Duggan, Neil ⁵
 Duke, Shelly
 Dul, Donna
 Dul, Ted
 Duncombe, Robert
 Dunford, Brandi
 Dunford, Darren
 Dunford, Leslie
 Dunham, Jacqueline
 Dunk, Elton ⁵
 Dunn, Marlene
 Dunnigan, Patrick
 Duong, Hung
 Dyer, Ralph
 Eberhardt, Mike
 Eckel, Daniel
 Ede-Neville, Debrah
 Ekpakahok, Ikey
 Elder, Leah
 Elliott, Margaret 'Marg' ⁵
 Elzinga, Peter ⁵
 Emerson, Elaine
 Emerson, Leroy

Emerson, Robin
 Emery, Dwayne
 Erker, Dennis ⁵
 Eskdale, Leanne
 Ethier, Camille
 Ethier, Romeo
 Evans, Ivy
 Evans, Sharon
 Ewanchuk, Marie
 Ewanchuk, Nick
 Fabryova, Zuzana
 Falkenberg, Aaron ⁵
 Falls, Diane
 Fang, Tony
 Farhat, Atif
 Farnell, Thomas 'Tom' ⁵
 Fedoretz, Olga
 Fedoretz, Steve ⁵
 Fedoruk, Donna
 Fedynak, Georgia
 Fedynak, John
 Fedynak, Wayne
 Fehlauer, Alfred 'Fred' ⁵
 Feland, Janine
 Feltn, Crystal
 Fenske, Brock
 Fenske, Dannielle 'D. J.' ⁵
 Fenske, Jacqueline 'Jacquie' ⁵
 Fenton, Gail
 Fenton, Loren
 Ferguson, Angela
 Ferguson, Bonnie
 Ferguson, Bradley 'Brad' ⁵
 Ferguson, Neville
 Fernandes, Maurice
 Ferretti, Dena
 Fetter, Jacqueline 'Jackie' ⁵
 Fiddler, Debra
 Fiedler, Angela
 Field, Carolyn
 Fischer, Johanna
 Fischer, Robert 'Butch' ⁵
 Fisk, Jennifer ⁵
 Fitzgerald, Colette
 Flamarique, Virginia
 Fong, Jason
 Forbes, Lois
 Forbes, Norman 'Muggsy' ⁵
 Foster, Deborah
 Foster, Kevin
 Fouillard, Daniel
 Fowler, David
 Fowler, Sherry
 Fox, Ashley
 Fox, Justin
 Francetic, Michael
 Francis, John 'Jack' ⁵
 Frank, Marguerite 'Max'
 Franke, Herta
 Fraser, Gabriela 'Gabe'
 Fraser, Laura Lee
 Frederick, Bonnie
 Freeland, Donald ⁵
 Friedenberger, Elaine
 Friesen, Dwayne ⁵
 Fritz, Felix
 Fritz, Francesca
 Fritz, Ingeborg 'Hanni'

Fritz, Stefan
 Froese, Aron ⁵
 Fu, Yao 'Freya'
 Fuhr, Gordon ⁵
 Funnell, Ronald ⁵
 Gabert, Matilda
 Gabert, Sharon
 Gabert, Valentina
 Gadowsky, Alisdair 'Al'
 Gadowsky, Laura ⁵
 Gair, William
 Galbraith, Salome 'Sally'
 Gallant, Merle
 Galliford, Shirley
 Gallotti, Tomaso 'Tom'
 Galloway, James 'Jim'
 Gamble, Tara
 Gamroth, Denise
 Gamroth, Ernie
 Garanis, Demetrius
 Garbutt, Timothy 'Tim'
 Garvey, Randall 'Randy' ⁵
 Gaunt, Craig
 Gerbrandt, Bernie
 Gerlach, Curtis
 Gervais, Bernadette
 Getzinger, Carly
 Gibbon, Carole
 Gibbon, Robert 'Bob' ⁵
 Gibbons, Edward 'Ed' ⁵
 Gibson, Diana
 Gibson, Mark
 Gibson, Maryanne
 Gibson, Robert 'Brent'
 Gillespie, James 'Jim' ⁵
 Gillespie, Reginald 'Reg'
 Gilroy, Stuart 'Gord' ⁵
 Gisler, Merna
 Glidden, Kim
 Godin, Mario
 Godwin, Susan
 Goggin, Stephen 'Steve'
 Golinsky, Orlene
 Golinsky, Raymond 'Ray'
 Gommerud, Cathy
 Gong, Yi
 Gorda, Arthur
 Gordeyko, Bernice ⁵
 Goshko, Darlene
 Gouchey, Rebecca
 Gough, Nelda
 Graham, Carol
 Graham, Daniel
 Graham, Karen
 Graham, Keith
 Graham, Neil
 Graham, Stephen 'Steve' ⁵
 Graham, Tricia
 Grainger, Donald
 Grainger, Elizabeth 'Marg'
 Grandish, Darren
 Gravel, Ron
 Gray, Devin ⁵
 Gray, Dinah ⁵
 Gray, Richard
 Green, Francis
 Green, Susan
 Greenough, James 'Greg' ⁵
 Gregg, Dorothy ⁵
 Gregoire, Gisele
 Greig, Beverly
 Greig, Bruce
 Groeneweg, Gertrude
 Groeneweg, Yohanna
 Groleau, Shirley
 Grotkowski, Lawrence 'Larry'
 Grundau, Rita
 Guichon, Diego
 Gunraj-Daodat, Deborahah
 Gurney, Paul
 Gurney, Wanda
 Gushaty, George
 Guthrie, Alyssa
 Haarstad, David
 Habana, Kenneth
 Haddock, Richard 'Rick'
 Haight, Craig
 Haley, Jeff ⁵
 Hall, John 'Brian'
 Hall, Susan
 Halushka, Jerry
 Halushka, Leon
 Hamilton, Donald ⁵
 Hamilton, Erin
 Hannah, Eileen
 Hanson, Arnold
 Harbin, Jennifer
 Hardiman, Brian
 Harding, Barbara
 Haring, Tina
 Harris, Shirley
 Harrison, Connie
 Harrold, Norman
 Hartfelder, Walter 'Wally'
 Hastey, Katie
 Hatfield, Richard
 Haudenschild, June
 Haudenschild, Robert 'Bob'
 Haugen, Frances 'Betty' ⁵
 Haunholter, Alyssa ⁵
 Hay, Glenn
 Hayduk, Barrie
 Hayduk, Yvonne
 Hayes, Louise ⁵
 Hayter, Ronald 'Ron' ⁵
 Henderson, Barbara
 Henderson, Ian
 Henderson, Jean
 Henderson, Michelle
 Henderson, Terry
 Hendricks, Kent
 Hennig, Calvin 'Cal'
 Hennig, Rita ⁵
 Hennig, Shey
 Henning, W. 'Bill' ⁵
 Herfindahl, Carolynne
 Herfindahl, Kenneth 'Ken'
 Herzog, Karen
 Heslep, Cameron
 Hewett, Jason
 Hickey, Dave
 Hicks, Tricia
 Higgins, Joan ⁵
 High, Daniel
 Hiller, Elaine ⁵
 Hillman, Raymond
 Hilton, Brett
 Hilton, William
 Hilts, Darlene
 Hipkin, Darren
 Hnidan, Roy
 Hodgin, Gary
 Hoekstra, Shelby
 Hoffman, Dolores
 Hogle, Bruce ⁵
 Hole, Harry ⁵
 Hollands, Daniel 'Dan' ⁵
 Holmes, John
 Holte, Warren ⁵
 Hood, Kathleen
 Hoover, Azucena 'Bebe'
 Hore, Darren
 House, Renee
 Howell, Lorne ⁵
 Howell, Myrna
 Howrsh, Joan
 Hrehirchuk, Tanya
 Huculak, Mike
 Hughes, George ⁵
 Hughes, Jill
 Huising, Katherine ⁵
 Hull, Keith
 Hulleman, John
 Hulleman, Sandra
 Hunt, William 'Don' ⁵
 Huntley, Andrew 'Andy' ⁵
 Huntley, Jennifer
 Huntley, Susan 'Sue'
 Hurst, Archie
 Hussaini, Jahangir
 Hutchings, Charles 'Chuck'
 Hutchinson, Robert 'Rob'
 Hutchison, Keltie
 Hyndman, Larce
 Inverarity, Crystal
 Inverarity, Derek
 Ivankovich, Ivan ⁵
 Jackson, Donald 'Don' ⁵
 Jacobs, Judith 'Judy' ⁵
 Jacobs, Lawrence ⁵
 James, Kerry
 Janiten, Heather
 Jansen, John
 Jarvis, James
 Jarvis, William ⁵
 Jefferson, Gary
 Jefferson, Morgan
 Jer, Howard
 Jer, Kathy Lynn
 Jewell, Ryan ⁵
 Jewett, J. 'Hilary' ⁵
 Jofre, Nicole
 Johanson-Benoit, Jill
 Johnson, Clarissa
 Johnson, Michael
 Johnston, Anita
 Johnston, Beatrice
 Johnston, Ken
 Johnston, Lori
 Johnston, Nicholas
 Johnston, Robert
 Johnston, Rosemarie
 Jones, Angela J.
 Jones, Angela N.
 Jones, Bryn
 Jones, Christopher
 Jones, Elaine ⁵
 Jones, Ross
 Jones, Shirley
 Jose, Vilma
 Joslin, Dale
 Kadatz, Barbara 'Barb' ⁵
 Kafle, Rashmi
 Kaminesky, Lillian 'Lil'
 Kaminski, Wesley 'Wes'
 Kankakeesic, Lisa
 Kapoor, Jean ⁵
 Karbonik, Carol
 Karbonik, George
 Karcher, Bernie
 Karmensky, Chaantal
 Kashuba, Scott ⁵
 Kaweck, Daria
 Kay, Donald
 Kearl, Sharon
 Keefe, Dennis
 Kehl, Walter
 Kelker, Henriette
 Keller, Deborah
 Kellett, Dave
 Kellington, Helen
 Kellington, Tracy
 Kelly, Beverley 'Bev'
 Keltie, Robert 'Bruce'
 Kennedy, Darlene
 Kennedy, Steven
 Kenyon, Anita
 Kerr, William 'Bill'
 Kerr, Yvonne 'Irene'
 Kettner, Minda 'Mindy'
 Khoa, Bu
 Kinash, Victoria 'Vikki'
 King, Jessica
 King, Samantha ⁵
 Kingston, FCA Harold ⁵
 Kinneer, Douglas
 Kisilevich, Lillian 'Betty'
 Kisilevich, Orest
 Kiss, Jim ⁵
 Kit, Carla
 Kittlitz, Marilyn*
 Kiviaq
 Klapstein, Earl ⁵
 Klein, Angela
 Klein, Darren
 Klein, Gordon 'Sandy'
 Kmech, Sr., Peter ⁵
 Knight, Cherie
 Ko, Ne-Chi
 Kobie, Franklin 'Frank' ⁵
 Kocman, Sally
 Koe-Schnell, Jacqueline
 Kokotilo, Louise
 Kolaczan, Margaret
 Kolewaski, Jeannette
 Kolmas, Janice
 Kolmas, June
 Kolstad, Beverley 'Bev'
 Kolstad, Clayton
 Kootenay, Arlene 'Brenda'
 Kootenay, Effie
 Kootenay, Jamie

Kootenay, Janice
 Korchinsky, Ernie ⁵
 Korz, Emily
 Kotelko, Peter 'Bern' ⁵
 Kovach, Ingrid
 Kovacs, Karl
 Kowalczyk, Brandon
 Kowton, Larry
 Kramers, Kevin
 Krause, Daryl
 Krause, Shirley
 Krauskopf, Paul
 Krilyk, Robin
 Krupa, Katelyn
 Krupa, Melanie
 Krupp, Judith
 Krushell, Kimberley ⁵
 Kucheraaway, Danielle
 Kuchmak, Chris
 Kuhn, Dianne ⁵
 Kuhn, Joanne
 Kuhn, Ronald
 Kuhn, Rhonda ⁵
 Kumpula, Bryan
 Kumpula, Bryanna
 Kumpula, Craig
 Kusal, Deborah
 Kusiak, Linda
 Kyle, Sandra 'Sandy'
 Lacika, Elizabeth
 Lacika, Vladimir
 Lacon, Bruce
 LaFleche, A. Bryan
 Laliberte, Mary
 Lalonde, Audrey
 Lamb, Andrea
 Lamb, Chris
 Lang, Judy
 Lang, Lance
 Lang, Thach
 Langley, Victor 'Larry' ⁵
 Larsen, Victor
 Larson, John
 Laskey, Nancy
 Lastiwka, Alexandra 'Sandra'
 Lastiwka, Michael 'Mike'
 Latham, Linda
 Latour, Frank
 Lauderdale, Edward 'Ted'
 Lauderdale, Karin
 Laurie, Ryan
 Lawrence, David
 Lawrence, Vicki
 Lazaruk, Kim
 Leavitt, Sylvan 'Ray' ⁵
 Lebeuf, Maxwell
 LeBlanc, Daniel
 LeClercq, Serena
 Lee, Aaron
 Lee, Alvin
 Lee, Nancy
 Legault, Natalie
 Legault, Shawn
 Lehouey, Francois
 Leicht, Betty
 Leitch, Kenneth
 LeLacheur, Rick ⁵
 Leong, Mui Chain

Leong, Yoke
 Leschiutta, Dale ⁵
 Lesoway, Clayton 'Clay'
 Lester, Michael
 Letendre, Elizabeth 'Liz'
 Letendre, Helene
 Lettner, Ken
 Levicki, Mike
 Lewis, Janet
 Lewis, John 'Ken' ⁵
 Lewis, Lelannie
 Lewis, Maria
 Lewis, Sandra 'Sandy' ⁵
 Li, Vincent
 Li, Yannie
 Li, Yanshun
 Lightning, Herbert 'Brian'
 Lindberg, Michelle
 Linder, Kathleen 'Kandie'
 Lindsay-Larsen, Mitchell
 Linklater, Frances 'Fran'
 Lipon, Delores
 Lipon, William 'Bill'
 Lipsett, Thomas 'Tom' ⁵
 Lipsett, Wayne ⁵
 Littmann, Lynda
 Litven, James 'Jim'
 Liu, Chenyuan
 Liu, Yan 'Laura'
 Liu, Yuanchen 'Bill'
 Livingstone, Johanna
 Livingstone, Linda
 Livingstone, Sidney 'Sid'
 Locke, Diane
 Lockert, Thomas
 Lonsdale, Verna
 Lopatka, Brent
 Lore, Sally ⁵
 Lorie, Betty ⁵
 Louis, Peggy ⁵
 Lovig, Frieda
 Lovig, Grant
 Lowey, Bruce
 Loyek, Lawrence
 Lucas, Daneve 'Danny'
 Luchak, Alexander 'Alex'
 Luchak, Clara 'Sue'
 Lukanuk, Olga
 Luoma, Hilkka
 Lupul, Allen
 Lupul, Juliette 'Julie'
 Lupul, Robert
 Lusok, Candace
 Ly, Diana
 Lyster, Patric
 MacBeth, Roderick (Rod)
 MacDonald, Dane
 MacDonald, George ⁵
 Macdonald, Kelly
 MacDonald, Scott
 MacGillivray, Kimberley
 Mack, William 'Bill' ⁵
 MacKell, Janet
 MacKenzie, Cheryl
 MacKinnon, Annette
 MacKinnon, Daniel 'Dan'
 MacLean, Carol
 MacLean, James 'Jamie' ⁵

MacNeil, Jeffrey
 MacPherson, Irma ⁵
 MacPherson, Neil
 MacPherson, Sharon
 Mader, Jillian
 Magee, Sarah
 Magosse, Doris
 Mah, Robin ⁵
 Mah, Stanley
 Mahony, Nick
 Majcher, Bernice
 Majeau, Victor
 Majeski, David ⁵
 Majeski, Larry
 Makowsky, Murray
 Malkewich, Eric
 Mallory, Murray
 Man, Wilson
 Mandel, Stephen
 Mandryk, Ruby
 Mann, Karen Anne
 Mansfield, Tausha
 Marchand, Jasmine
 Marcinkoski, Jennifer 'Jen'
 Marko, Ronald 'Ron'
 Marler, Reg ⁵
 Marples, Kelly ⁵
 Marples, Michael 'Mike' ⁵
 Marshall, Dorothy
 Marshall, Olive
 Marshall, Robert 'Bob'
 Martin, Patricia 'Pat'
 Martinez, Erick
 Martini, Sherry
 Martinuk, Eugene 'Gene' ⁵
 Martyn, Audrey ⁵
 Martyn, John ⁵
 Maruschuk, Mike
 Maschmeyer, Douglas 'Doug' ⁵
 Maschmeyer, Evelyn 'Lloy' ⁵
 Maschmeyer, Gerald ⁵
 Maschmeyer, Sandra 'Sandi'
 Maskaluk, Joyce
 Mason, Bob
 Masters, Barbara
 Matejka, Brittney
 Matejka, Carling
 Matichuk, Andrew 'Andy' ⁵
 Maybroda, Katherine
 McAlpine, Kevin
 McBain, Allan 'Ross' ⁵
 McBain, Justine
 McBain, Mark
 McBain, Neil ⁵
 McBurney, Derek
 McCarron, Mary
 McCarten, Colin ⁵
 McCasin, Frank
 McClellan, HLM Shirley
 McClelland, Ian
 McDonald, Barry ⁵
 McDonald, Eileen
 McDonald, John
 McDonald, Kenneth
 McDonell, John ⁵
 McDougall, John ⁵
 McEwan, Christine
 McEwan, John

McEwen, Rosemary
 McFarlane, James
 McGhan, Bruce ⁵
 McGhan, Marilyn
 McGinitie, Darlene
 McGuinness, Elizabeth 'Liz'
 McKenney, Blair
 McKennitt, Hazel
 McKinnon, Courtney
 McKinnon, Malvena
 McLaughlin, Diane
 McLeay, Dawn
 McLeay, Tylor
 McLennan, Mary-Ann
 McMillan, Joan
 McMurray, Kathleen
 McNee, Brad
 McPhee, Andrew
 McWhirter, Brett
 McWhirter, Heather
 Meakin, Anna ⁵
 Mears, Deborah
 Melnychuk, Janice
 Melnychuk, Patricia 'Pat'
 Melvin, Valerie
 Mendez, Raymundo
 Mendoza, Antonio
 Mercer, Arthur 'Art'
 Mironiuk, Lorraine
 Mezo, Robert
 Michelin, Benjamin
 Middelkamp, Jacob
 Miles, Marianne ⁵
 Miller, Gladys ⁵
 Miller, Janice 'Jan'
 Miller, Roberta
 Miller, Wilfred 'Walter'
 Milligan, Franklin 'Joe'
 Milligan, John
 Milliken, Norman
 Milton, John 'Dale'
 Mireau, Jacki
 Misura, Joseph 'Joe'
 Mitchell, Johanna
 Mitchell, Jones
 Mittelstadt, Kourtney
 Mittelstadt, Lovella
 Mitton, Victoria
 Mixap, Bounthavilay
 Modin, Nelson ⁵
 Moffatt, Sharon
 Mohler, Harold 'Frank'
 Mohler, Mildred 'Lee'
 Money, Glenda
 Mongeon, Martine
 Monk, M. Lloyd ⁵
 Monteith, Dorothy
 Montgomery, Douglas ⁵
 Moquin, Jean-luc
 Morris, Adriana
 Morse, Andreas
 Mortensen, Irene
 Moser, Charles 'Chuck'
 Moses, Melissa-Jo
 Mosher, Kimberly
 Mosier, Joseph
 Mulcair, John
 Murphy, Debra

Murray, Nicole
 Myers, Kayla
 Myhre, Oscar 'Oz'
 Nanson, Kevin
 Nasser, Sanif
 Nelson, Allyn
 Nelson, Rita
 Nelson, Sherry
 Nelson, Shirley ⁵
 New, Nicole
 Newhart, Michael 'David'
 Newman, Clarence ⁵
 Nichols, Roxanne
 Nicholson, Joan
 Nickel, Barbara
 Nickel, Harry
 Nickel, Michael 'Mike'
 Nicoli, Marlene
 Nicoll, William 'Dave' ⁵
 Nieberding, Albert 'Carl' ⁵
 Nonay, David
 Nonay, Wanda
 Norbert, Brian
 Norby, Reginald 'Reg' ⁵
 Normand, Louis 'Lou'
 Northey, Kelly
 Nott, AmberLynn
 Nott, Kenneth 'Ken'
 Nott, Nicole
 Novasky, William
 Nowicki, Judith
 Nowicki, Walter
 Nyitrai, Cheleen
 Nyssetvold, Trevor
 Oberik, Doreen
 Ochr, Azjargal (Jane)
 O'Donnell, Timothy
 Ohe, Mark ⁵
 Okerman, Kathryn
 Olsen, Lawrence 'Buck' ⁵
 Olson, Christopher
 Olson, Lori
 Olson, Marney
 Onyschuk, Ben
 Onyschuk, Jakob
 Onyschuk, Lorrissa
 O'Reilly, Debbie
 Orobko, Gerald
 Orobko, Samantha
 Osadchuk, Gene
 Osborne, John ⁵
 O'shea, Lorraine
 Ostermayer, Amy
 Ottewell, John
 Otway, Andrew
 Otway, Emily
 Otway, Jeremy
 Otway, Meeka
 Owen, David 'Dave'
 Owen, Marion
 Owen, William 'Bill' ⁵
 Ozipko, Cassie
 Ozipko, Kim
 Ozipko, Mike
 Ozipko, Wendy
 Ozubko, Betty
 Packford, Guy ⁵
 Page, John 'Roger' ⁵

Pageé, Bernice
 Pageé, Rene
 Paintedstone, Annette
 Paintedstone, Christine
 Paintedstone, Noreen
 Paisley, Loretta 'Lorry'
 Pal, Bay
 Palahniuk, Patricia 'Pat'
 Palamarchuk, Nicholas 'Nick'
 Palpal-Latoc, Reymund
 Paly, Clarence
 Panas, Mike
 Panchyshyn, Derek
 Papworth, Sarah
 Paridaen, Paul
 Park, Diana
 Parker, Deanna 'Dianne'
 Parlade, Joselito
 Parry, Christine
 Parsons, Alan ⁵
 Pashe, Nicholas
 Paterson, Bruce
 Patriquin, Gordon ⁵
 Paul, William 'Bill'
 Paull, Helen ⁵
 Pawelek, Rooth ⁵
 Pawelek, Scott
 Pawl, Lois
 Paylor, John
 Payne, Karen
 Pazder, Ryan
 Pazder, Sherri
 Pearce, Brian ⁵
 Pearce, Dorene
 Pearson, Duncan
 Peden, Ian
 Pedersen, George ⁵
 Pedersen, Harry ⁵
 Peeters, Laurel
 Pegg, Dave
 Pennock, D. 'Bruce' ⁵
 Percy, Morgan
 Perkins, Brad ⁵
 Perreault, Christopher
 Perri, Rosario
 Perry, Burke ⁵
 Peters, John
 Peters, Marlene ⁵
 Petersen, Debbie
 Peterson, Mary Ann
 Peterson, Randolph
 Petherbridge, Leona
 Petkau, Brian
 Petruchik, Stephanie
 Petruk, Cheryl ⁵
 Phan, Nha
 Phillips, Ellington
 Phillips, Karen
 Phillips, Wendy
 Pickard, Corisa
 Pierce, Colleen
 Pietsch, Edwin 'Ed'
 Pietsch, Leona
 Pillott, Chaise
 Pillott, David
 Pimentel, Jeremias
 Pimentel, Michelle
 Pinette, Marcel

Pinter, Johnnie
 Pirtle, Arla
 Plaizier, Peter 'Pete' ⁵
 Playdon, Katherine 'Kathy' ⁵
 Plunkie, Irene
 Pointe, Gregory 'Greg'
 Pollard, Benjamin
 Pollard, Wade
 Pollock, Sheila
 Polowy, Ernest
 Pon, Allan
 Poon, Cathy
 Pope, Shaun
 Porodo, Richard
 Porter, Kyle
 Posthuma, John
 Posthuma, Marie 'Elaine'
 Potratz, Haley
 Potter, Jimi
 Potts, Jr., Robbie
 Potyok, Robert 'Bob'
 Poulin, Raelene
 Powers, Joan
 Prefontaine, Bernie
 Prefontaine, Colleen ⁵
 Prefontaine, Jordan
 Preshing Sr., William 'Bill' ⁵
 Prestage, Robert 'Bob' ⁵
 Price, Charlotte
 Price, James 'Jim'
 Proctor-Berkholtz, Ashley
 Prokop, Leona
 Prokop, Wilfred
 Prokopczak, Elizabeth 'Betty'
 Puchyr, Wesley
 Pugh, Gregory 'Greg'
 Pullishy, Paul 'Roger'
 Pullishy, Sonia
 Purcell, Richard
 Purcell, William
 Purdy, William 'Bill' ⁵
 Purschke, Eileen
 Pysh, Diane
 Quaife, Sharon
 Quarrie, Kelson ⁵
 Quilala, Bernard
 Quilley, Ashley
 Quinlan, Daniel
 Quinlan, Lauree
 Radke, Lyle
 Rain, Jolene
 Rain, Kevin
 Rainey, Anne
 Rainey, Richard
 Ramage, Kenneth
 Ramsey, John ⁵
 Raquepo, Marnelli
 Raro, Lora May
 Rasmussen, Annie 'Anne'
 Ratcliff, Peter
 Rau, Iris
 Rault, Linda
 Reaville, Audrey
 Reaville, Royal 'Roy'
 Rebryna, Kenneth 'Ken'
 Reid, Darlene
 Reid, Dylan
 Reid, Sandra 'Sandy'

Reid, Shelley
 Reilly, Aphracia
 Reilly, Patricia
 Reinhardt, Barry
 Reith, Katherine
 Reppert, Janice 'Jan'
 Reynolds, Valerie
 Rife, George ⁵
 Ritchie, Gloria
 Rivera, El Cecelio
 Roadhouse, Katie 'Kay'
 Roberts, Annie
 Roberts, Mary 'Lynn'
 Robertson, Dwayne
 Robertson, John
 Robinson, Angele
 Robinson, Garrett
 Robinson, Jeffrey 'Jeff' ⁵
 Robinson, Jessie 'Jesse'
 Robinson, Marcel
 Robinson, Natalie
 Robinson, Wilf
 Roeleveld, Valerie 'Val'
 Roeske, Murray ⁵
 Rogers, John
 Rogucki, Louise
 Rogucki, Terry
 Rollans, Howard
 Romanyshyn, Peter
 Ronaasen, Chantel
 Ronaldson, David 'Dave' ⁵
 Rookes, Dave
 Rookes, Gail
 Rookes, Trina
 Rosenberger, Rose ⁵
 Ross, Barry
 Ross, James 'Jim' L.
 Russell, Harvey
 Rutherford, Jack ⁵
 Sadoway, Nicholas
 Sagoo, Ranbir
 Sampert, Raymond 'Ray' ⁵
 Sanders, Doris
 Sanderson, Dylan
 Sanderson, Garth
 Sanderson, Melissa
 Sanderson, Shane
 Sangrey, Jedd
 Sarafinchan, O. 'Ollie'
 Sarnoski, Charles 'Charlie'
 Savage, Frances 'Fran' ⁵
 Schaffrick, Cassandra
 Schaffrick, Elsie
 Schaffrick, Willie
 Schilberg, Rhonda
 Schmermund, Donnie 'Don'
 Schmermund, Lois
 Schmidt, Annette
 Schmidt, David
 Schmidt, Lois ⁵
 Schmidt, Moritz
 Schneider, Braydon
 Schneider, Donna
 Schneider, Emily
 Schneider, Nicole
 Schneider, Wendy ⁵
 Schramm, Tanja
 Schroder, Liesa

Schultz, Cheryl
 Schultz, Edward 'Ed' ⁵
 Schultz, Yolanda
 Schur, Alexandra 'Sandy'
 Schur, David 'Dave'
 Schwark, Carsten
 Sciur, QC Gary ⁵
 Scott, Margaret
 Sears, Ryan
 Sebastianelli, Colleen
 Sebastianelli, Ricardo 'Rico' ⁵
 Sedgwick, Laura Ann
 Sedgwick, Timothy 'Tim'
 Segin, Margaret 'Marge'
 Segin, Sheri
 Seibold, Myron
 Sekla, Maher
 Sellick, Linda
 Semotiuk, John
 Semotiuk, Nick ⁵
 Sept, Kevin
 Sept, Leanne
 Seymour, Raedean
 Shaganash, Brian
 Shanley, Catherine 'Cathy'
 Shannon, Jenilyn
 Shannon, Taradawn
 Shapka, Elizabeth
 Sharma, Piyush
 Shaw, Gwen
 Shaw, James
 Shaw, James 'JR'
 Shaw, Karen
 Shaw, Marilyn
 Shaw, Sandra
 Shaw, Warren
 Sheard, Glenda ⁵
 Shenfield, Allan ⁵
 Shenfield, Kevin ⁵
 Sherback, Christopher 'Chris' ⁵
 Sherren, Julianna
 Sherren, Louis 'Lou'
 Shields, Nancy
 Shockey, Ralph
 Shrestha, Nisha
 Shustov, Marlen
 Shustova, Iryna
 Sibbald, Bernard 'Bernie'
 Sibbald, Maryke 'Mary'
 Siegel, Barbara
 Siegel, Bob
 Siegel-Logan, Cheryl
 Skelly, William 'Bill' ⁵
 Skippen, Annie
 Skoreyko, Alan ⁵
 Skoreyko, Dale ⁵
 Skoreyko-Borchert, Ronda
 Skowronski, Barbara 'Basia'
 Skretting, Sylvie
 Skripitsky, Rose 'Alice'
 Skrypnek, Dennis
 Skrypnek, Frances 'Fran'
 Skuba, Helen
 Sloan, Brenda
 Sluzar, Ollie
 Smart, Else
 Smith, Brandon
 Smith, Charles

Smith, Corey ⁵
 Smith, Darryl ⁵
 Smith, David
 Smith, Gordon
 Smith, Jack
 Smith, James 'Jim'
 Smith, Jennifer
 Smith, Julie Anne
 Smith, Leigh ⁵
 Smith, Lesley
 Smith, MacKenzie
 Smith, Meghan
 Smith, Ronna
 Smith, Shelley
 Smith, Shirley
 Smith, William
 Sneddon, Carl
 Sobchysyn, Suzanne
 Socholotui, Maryann
 Soliman, Sherif
 Sommer, Clayton
 Sommer, Jason
 Sommer, Marie
 Sood, Amita
 Sood, Trisha
 Sopel, Daneen
 Sorken, Paula
 Southwood, Alan 'Dale'
 Spence, Gloria 'Judy'
 Spence, Philip
 Spence, Sandra 'Sandy'
 Sperber, Samantha
 Spiller, Thomas
 Sprague, Donald ⁵
 Spriggs, Carole
 St Martin, Larry
 St. Jean, Leanne
 St. Martin, Larry
 Stacey, Cherylyn
 Stacey, Craig
 Stadelman, James 'Jim'
 Stadnichuk, Anthony
 Stainthorpe, Albert
 Stainthorpe, Verna
 Stark, Doris
 Stark, Orville
 Stasiuk, Sonya
 Steer, Kenneth
 Stevens, Christopher
 Stevens, David
 Stevens, Jeff
 Stevens, Kathy
 Stevenson, Patricia 'Pat'
 Stewart, William 'Bill' ⁵
 Stinson, Lorri
 Stoby, Jennifer 'Laura'
 Stoll, Ralph
 Storrier, Kelly
 Storrier, Rosemarie 'Rose'
 Stott, Andrew
 Stouffer, Erin
 Stout, Hugh
 Stroh, Joan
 Strynadska, Marguerite 'May'
 Stuart, Brian
 Stuart, Douglas
 Suelo, Georgina
 Surbey, Brenda

Sutherland, William 'Bill' ⁵
 Swain, Jackie
 Swan, Alexander
 Swart, Sarah
 Sweet, Donald
 Symic, Ronald 'Ron' ⁵
 Szaroz, Laura
 Szoradi, Karin
 Szott, Benedict 'Ben'
 Szott, Patricia 'Pat'
 Szpacenko, Adam
 Szumlas, Frank 'John' ⁵
 Takacs, Piroksa 'P.J.'
 Tallon, Frances
 Tallon, Geoffrey
 Tandrup, Shannon
 Tanton, Victoria 'Vicki'
 Taylor, Donald 'Don'
 Taylor, Joan
 Taylor, Laurie
 Tchir, Jeanette 'Jayne'
 Telford, Gordon
 Telford, Joan
 Terry, Suzanne
 Tetreau, Joseph 'Joe'
 Thatcher, Kenneth ⁵
 Thibaudeau, Leo
 Thibaudeau, Mary
 Thom, Barbara
 Thomas, Chad
 Thomas, Marilyn
 Thomas, Warren ⁵
 Thompson, William
 Thut, Vivian
 Thygesen, Laura
 Tiemer, Lori
 Tkachuk, Annabel
 Tober, Glennis
 Toma, Jackie
 Tomlinson, Candace
 Toronchuk, Greg
 Trainor, John
 Trefiak, Kurt
 Trela, Grzegorz
 Treloar, Michael 'Mike'
 Trussler, Wayne
 Tsoukalas, Theresa 'Tree'
 Tupas, Numeriana 'Nelly'
 Turin, Mary
 Turko, Daniel ⁵
 Turko, Patricia 'Patti'
 Turner, Barbara ⁵
 Turner, Mary
 Twarog, Dennis
 Tweddle, John ⁵
 Tymchuk, Karen
 Tymchuk, Lori
 Tymchuk, Michelle
 Tysiakiewicz, Shelly
 Ulvstal, Kimberly 'Kim'
 Underschultz, Laura
 Urton, Craig ⁵
 Van Brabant, Carlene ⁵
 Van de Walle, Walter ⁵
 Van Hecke, Judy
 Van Hecke, Roger
 Van Hecke, Tanya
 Van Meer, Patricia 'Pat'

Van Soest, Jeffrey
 Van Vliet, Daniel
 Van Zeggelaar, Gwendolyn
 Vander Veen, Nolene
 VanderBurg, M.L.A George
 Vandermeer, Audrey
 Vandermeer, Cornelis 'Casey' ⁵
 Vandermeer, Gerrit 'Jerry' ⁵
 Vangeerenstein, Breanne
 VanRiper, John
 VanRiper, Sandra 'Sandy'
 Vegreville Agricultural Soc ⁵
 Veldhoen, Richard
 Verlinda, Patrick 'Pat'
 Verruyt, Bart
 Victor, Rene
 Villeneuve, Lawrence
 Violetto, Louise
 Vitucci, Natasha
 Vollema, Shannon
 Von Zur Gathen, Teresita 'Chita'
 Wagner, Terri-Jo 'T.J.'
 Wagner, Tyson
 Waite, William
 Wakefield, Gregory
 Walcott, Shirley
 Waldern, Baylea
 Waldroff, Ryan
 Walker, Fred
 Walker, Robert 'Bob' ⁵
 Walker, T. J. 'Rod'
 Walker, Wayne ⁵
 Wall, Gail
 Wallace, Jerry
 Walsh, Adele
 Waniandy, Kaylee
 Wards, Shona
 Warner, Elisha
 Warring, Doug
 Warring, Molly Anne ⁵
 Watson, Stephanie
 Watt, J. Angus ⁵
 Watt, Trevor
 Webb, Lawrence 'Larry'
 Webb, Micheal ⁵
 Webber, Garry ⁵
 Weber, Justin
 Weber, Walter ⁵
 Wedman, Cynthia 'Cindy'
 Weinberger, Dennis
 Weir, Eva
 Weir, Howard ⁵
 Weir, Mahlon ⁵
 Weishaar, Jimmy 'Jim'
 Weishaar, Loretta 'Lori'
 Weiss, Ian
 Weiszhaar, Leona 'Lee'
 Welch, Brent
 Welker, Carol
 Wengreniuk, Crystal
 Wengreniuk, Garrett
 Wengreniuk, Iris
 Weslosky, Terry
 West, Elana
 West, Elizabeth
 West, Gerry
 West, Gordon
 West, James Tyler 'J.T.'

West, Jason
 West, Lillian 'Lil' ⁵
 West, Terry 'T.J.'
 Westbury, Robert 'Bob' ⁵
 Western Exposition Assoc. ⁵
 Weston, Judith 'Judi' ⁵
 White Thunder, Reyna
 Whiting, Patricia 'Patty' ⁵
 Whiting, Trent
 Whitnack, James
 Wick, Aaron
 Wick, Donna
 Wickham, Alanna
 Wickham, Douglas ⁵
 Wickham, Sharon
 Widney, Mark ⁵
 Wifladt, Elmer
 Wilkes, Annette
 Wilkes, Gregory 'Greg' ⁵
 Wilkes, Penelope 'Penny' ⁵
 Willard, Alan
 Willey, Norman
 Williams, Dennis
 Williams, Janice
 Williams, Justin
 Williams, Kimberley 'Kim'
 Williams, Kyle

Williams, William 'Bill'
 Williamson, Deborah
 Williamson, Leocadia 'Leo'
 Williamson, Robert
 Wills, Ronald
 Wilson, C. Gordon ⁵
 Wilson, Dandilynn
 Wilson, James
 Wilson, Melanie ⁵
 Windwick, Frederick 'Fred' ⁵
 Windwick, John ⁵
 Wirsta, Kevin
 Witham, Jill
 Wolf, Inga
 Woloschuk, Bonnie
 Woo, Richard
 Wood, Jennifer ⁵
 Woodford, Donna
 Woodford, Tristan
 Woodman, Bruce
 Wosar, Kristin
 Woywitka, Dan
 Woywitka, Lisa
 Woywitka, Lorna
 Woywitka, Lyndee
 Woywitka, Michael
 Woywitka, Pamela

Woywitka, Stacey
 Wrubleski, Jason
 Wylie, Anita
 Yacyshyn, Greg
 Yakimchuk, Margaret
 Yakimyshyn, Eugene 'Terry'
 Yankowsky, Julius ⁵
 Yaremko, Boris ⁵
 Yaremko, Teresa ⁵
 Yaschuk, Donna
 Yates, Fiona
 Yee, Kazue 'Kay'
 Yee, Tony
 Yewchuk, Luba 'Lil'
 Yim, Su Jin
 Youck, Robert 'Ted' ⁵
 Youck, Sophie 'Bernice'
 Young, Alana
 Young, Darin
 Young, QC Eric ⁵
 Yu, Nancy
 Yuen, Gerald 'Gerry' ⁵
 Yurkiw, Katherine 'Katie'
 Yurkiw, Laurence 'Larry' ⁵
 Yurkowski, Linda
 Zaman, Quamru
 Zelenak, Michael 'Mike' ⁵

Zelmer, H. Aaron
 Zerr, Philip
 Zhao, Jinting
 Zheng, Zhong
 Zhou, Weijia
 Zielke, Sheree
 Zilinski, Judy
 Zilinski, Sharon
 Zilinski, Theodore 'Fred' ⁵
 Zimmerman, Carol
 Zimmerman, Steven
 Zrim, Stephanie
 Zuk, Rhonda
 Zwozdesky, MLA Gene
 Zylstra, John ⁵
 Zylstra, Shirley

Members hold voting shares, which cannot receive any dividends nor appreciate in value. Shares cannot be held by persons south of Township 34, or in estates of deceased members.

⁵ Shareholder
 * Deceased

MANAGEMENT DISCUSSION & ANALYSIS

PREFACE

The financial review, which has been prepared to provide management's discussion and analysis of our financial condition and results of operations for the year ended December 31, 2009, should be read in conjunction with our audited consolidated financial statements and accompanying notes for the year ended December 31, 2009. The financial statements have been prepared in accordance with Canadian generally accepted accounting principles.

The statements and information in this financial review regarding potential future circumstances and developments are qualified by the inherent risks and uncertainties involved and may, therefore, differ materially from our actual future experience. There is no expectation or obligation to update or revise any forward-looking sections as a result of new information, future events or other circumstances.

ABOUT OUR BUSINESS

Who we are

Driving the Edmonton region to growth and prosperity is what Northlands is all about. As a leader in business, entertainment and agriculture we generate \$355 million in direct spending in our local economy. This economic impact is felt throughout the province as the programs and activities related to Northlands stimulate over \$1 billion in total annual economic impact. As a vibrant not-for-profit organization we are one of Edmonton's largest employers with 300 full-time employees, over 1300 event staff and 2200 volunteers. The directors of the Northlands board are unpaid elected volunteers and our shareholders, who are also volunteers, cannot receive dividends, nor can their shares appreciate in value. Together, we create unique economic opportunities for industry and are a catalyst for community development. We reinvest all of our earnings back into the community by providing a wide range of programs through several key community facilities including Rexall Place, the Edmonton EXPO Centre and the Spectrum Racing Entertainment Centre. Our organization is framed around the following operating areas:

Northlands Major Events

Major Events is dedicated to planning, managing and producing all aspects of Edmonton's largest annual events: Capital EX, the Edmonton Indy and the Canadian Finals Rodeo. Major Events leverages strong partnerships between external service providers, exhibitors, food services and internal implementation teams to create the kind of events our community has come to expect from Northlands. Our best in class customer service programs ensure we deliver exceptional experiences to our visitors during Northlands signature events.

Agriculture

Through our Agriculture business unit we deliver programs and events that satisfy the demands and expectations of our agriculture and food sector stakeholders, generate a reasonable return on investment and build on our core competencies in event hosting and production. Northlands is a key partner for growth of the agriculture and food industry in Alberta.

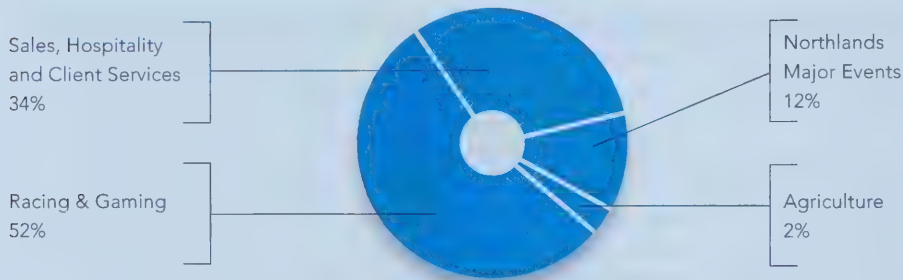
Racing and Gaming

Racing and Gaming delivers an entertainment experience through pari-mutuel wagering via live and simulcast horse racing at Northlands Park and more than 40 off-track betting sites throughout Alberta. Racing products, provided through a license granted by Horse Racing Alberta, are augmented by 632 slot and gaming machines as well as a full selection of food service and restaurant options. Gaming products are contingent on operating live horse racing and are regulated under a Racing Entertainment Centre license from the Alberta Gaming and Liquor Commission.

Sales, Hospitality and Client Services

Sales, Hospitality and Client Services is responsible for developing strategies and plans to optimize utilization of Northlands facilities for client-produced events such as consumer and commercial trade shows, concerts, family events, sporting events, catered events and assemblies.

Revenues by Operating Area



Business strategy and values

Our vision is to deliver exceptional experiences. We aim to be a leader in providing world-class entertainment, community service, business development and agricultural programming in Edmonton and north-central Alberta. To achieve our vision and create the long-term success and sustainability of Northlands, we are focused on four key strategic priorities:

1. **Responsible Business Growth.** Northlands must continue to build our capacity as an entertainment and event leader by producing fresh, innovative and relevant entertainment offerings in all of our programming. We must ensure that we continue to develop our leadership and management practices by attracting, marketing and producing high quality events while delivering exceptional entertainment experiences. Racing and gaming must be re-established as a financially sustainable enterprise and a platform for the overall Northlands entertainment offering. We must ensure that we maximize the incremental revenue potential of the newly completed Edmonton EXPO Centre. We will continue to participate as a leader and an integral partner in the development of a new arena in the City of Edmonton.

2. Long Range Development Plan. With the opening of the Edmonton EXPO Centre we will continue to move forward with the development of a facilities vision that establishes Northlands as an entertainment, hospitality and event production leader as well as a vital tourism product. We will do this by creating an exciting and compelling offering that integrates the arena, trade show and other entertainment venues while at the same time ensuring that our site is used for its highest and best use.
3. Urban Agricultural Society. As an agriculture society situated in an urban environment we act as intermediary between the urban and rural communities. This is a role that we take great pride in. As the demographics of north-central Alberta change, Northlands will continue to evolve to meet the needs of our rural constituents and industry stakeholders.
4. Stakeholder Engagement. We must continue to build upon the progress that has been achieved in increasing awareness of Northlands, its mandate and role in Edmonton with our key government, business and community stakeholders. We must continue to revitalize and refresh our volunteer and shareholder base. The strength of Northlands is highly dependent upon being integrated with our community at all levels.

Officers and Senior Management



Andrew Huntley, Chair

Volunteer since 1972 | Member since 2002 | Director since 2002

Andrew Huntley is an investment portfolio manager specializing in commercial real estate. He currently serves on the Executive Committee, Evaluation and Compensation Committee, Strategic Planning Committee and the Northlands Foundation Committee. Mr. Huntley is active in his community and has served as a board member for the Capital Health Authority, a trustee for the University of Alberta Hospital Foundation, and was a founding director of the Real Estate Council of Alberta.



John Windwick, First Vice-Chair

Volunteer since 1997 | Member since 1997 | Director since 2000

John Windwick is the vice-president, Government and Community Relations at ATB Financial. Mr. Windwick currently sits as Commissioner for Canadian Finals Rodeo and serves on the Executive Committee. He is active in the community and has volunteered for groups including the 65 Roses Sports Committee, Kinsmen Club of Edmonton, Lambda Chi Alpha Fraternity, Alberta Lung Association and the TELUS Edmonton Open.



Laura Gadowsky, Second Vice-Chair

Volunteer since 1993 | Member since 1995 | Director since 2003

Laura Gadowsky is a certified meeting planner and president of Gadowsky Special Event Management specializing in corporate and government meetings, symposiums and sporting event operations. Ms. Gadowsky is currently the director liaison for Edmonton's Capital EX and the Volunteer Coordinating Committee. She serves on the Executive Committee and as Chair of the Edmonton Rodeo Cowboy's Benevolent Foundation.



Ken Knowles
President



Mark Bamford
Vice-President, Finance,
Chief Financial Officer,
and Corporate
Secretary & Treasurer



Trish Macdonald
Vice-President,
Business and
Community Development



Opal Blackstock
Vice-President,
Program Development



Rey Wosar
Vice-President,
Facilities and
Infrastructure

Total annual revenues

Total annual revenues for 2009 were \$135 million, a 3.5 per cent decrease over 2008 and an 8.6 per cent decrease over 2007.

	2009 (\$'000s)	2008 (\$'000s)	2007 (\$'000s)
Northlands Major Events	15,894	16,699	17,819
Agriculture	2,918	3,634	2,332
Racing & Gaming	69,262	76,972	76,634
Sales, Hospitality and Client Services	46,468	42,148	50,411
	134,542	139,453	147,196

Changes in revenues from the previous year's results:

- Northlands Major Events - \$0.8 million lower due to decreased per capita spending at Capital EX.
- Racing & Gaming - \$7.7 million lower due to a 13.7 per cent decline in racing handle wagering in comparison with 2008.
- Sales, Hospitality and Client Services - \$4.3 million higher due to higher food service sales at Rexall Place and an increase in parking revenue.

Operating costs

Operating costs as a percentage of revenue in 2009 were 92.3 per cent, compared to 87.7 per cent in 2008 and 86.7 per cent in 2007.

	2009	2008	2007
Northlands Major Events	83%	78%	74%
Agriculture	103%	101%	108%
Racing & Gaming	105%	98%	98%
Sales, Hospitality and Client Services	76%	70%	73%

Event contributions before grants, interest and depreciation

Event contributions before grants, interest and depreciation decreased by \$2.2 million to a loss of \$0.8 million primarily due to the continuing decline of earnings in Racing and Gaming.

	2009 (\$'000s)	2008 (\$'000s)	2007 (\$'000s)
Northlands Major Events	1,626	1,915	2,785
Agriculture	(611)	(644)	(664)
Racing & Gaming	(7,051)	(4,681)	(3,850)
Sales, Hospitality and Client Services	5,244	4,809	5,912
	(792)	1,399	4,183

Net earnings by business area

2009 net earnings at Northlands increased by \$1.5 million largely as a result of an increased contribution from Sales, Hospitality and Client Services and reduced operating costs.

	Net Increase (Decrease) (\$'000s)	Net Earnings (Loss) (\$'000s)
Northlands Major Events	(263)	1,495
Agriculture	40	(789)
Racing & Gaming	189	1,233
Sales, Hospitality and Client Services	728	6,495
Other	795	(6,379)

Total assets and long-term financial liabilities

At year end our working capital deficit (the excess of current liabilities over current assets) was \$9.8 million as compared to a working capital deficit of \$26.6 million in 2008 and a surplus of \$31.2 million in 2007. Long-term debt increased to \$59.1 million. Net assets increased by \$2.1 million to \$39.8 million and capital expenditures decreased by \$10.3 million to \$54.6 million. Capital expenditures related primarily to our facility expansion, the Edmonton EXPO Centre.

	2009 (\$'000s)	2008 (\$'000s)	2007 (\$'000s)
Working capital surplus (deficiency)	(9,846)	(26,624)	31,160
Long-term debt (non-current)	59,183	2,266	2,404
Net assets	39,840	37,785	37,219
Capital expenditures	54,571	64,831	27,701

Detailed operating results

Net earnings (loss)

	2009 (\$'000s)	2008 (\$'000s)	2007 (\$'000s)
Northlands Major Events	1,495	1,758	2,625
Agriculture	(789)	(829)	(743)
Racing & Gaming	1,233	1,044	(253)
Sales, Hospitality and Client Services	6,495	5,767	6,882
Other	(6,379)	(7,174)	(3,698)
	2,055	566	4,813

NORTHLANDS BUSINESS AREAS

Northlands Major Events – Capital EX

This year, Northlands was able to execute on several long-term strategies to support Capital EX as a must attend summer attraction in Edmonton. We worked with our midway provider to open the fair for two full weekends, providing us with significant operating efficiencies as well as the opportunity to increase attendance since weekends are traditionally more highly attended; and the new facility allowed us to improve traffic flow into the EXPO Centre by 40 per cent because we were able to use two separate entrances for the first time since major construction began. These enhancements, among others, show promise, however, there were still factors that affected attendance and revenue gains at Capital EX in 2009.

Net earnings were \$854 thousand over 2008 results and attendance was 717,245, slightly below the 2008 attendance figure of 743,374. We are hopeful that this upward earnings trend will continue as a result of plans to develop Capital EX with a focus on families, the true roots of a fair, in 2010. The Capital EX team has also done some solid work relative to finding ways to control costs overall. Capital EX is a crowd-pleasing festival attracting a broad audience, so we are constantly seeking ways to increase revenues and reduce costs as a means to positively affect earnings.

One of the greatest risks for outdoor entertainment is always weather and our opening weekend saw one of the worst storms in recent history, forcing the early shutdown of the grounds on Saturday, and the closure of some of our attractions until Tuesday. This storm negatively affected revenues on the first weekend of the fair. It was a credit to our team that we were still able to open on Sunday morning, with most of our venues operating.

Popular new attractions for 2009 included the Canadian premiere of Cirque Shanghai Bai Xi, the FlowRider Mobile Surf Party – where fair goers learned to shred waves like the experts, King Tut and the Egyptian Treasures and the Food Network's Chef David Adjei, who inspired fans surrounding his shows on the Sip! stage. The 2009 International Association of Fairs and Exhibitions attraction of the year, Wild World of Lions, was a huge hit with our tried and true family audience who took great pleasure in watching these special animals interact with their trainers. ED Fest was once again a crowd favourite, attracting many guests who came out to hear Mariana's Trench, Our Lady Peace, Paul Brandt, Howie Mandel and local sensation, the Stereos. We also utilized Hall E for the first time, featuring Kiyanaw and Spirit of the Butterflies. The opening of parts of our new EXPO Centre certainly helped us improve the overall guest experience by enhancing pedestrian traffic flow through and around the fair's key features.

2009 also broke records on a few fronts. We saw the highest ever parade attendance with approximately 225,000 visitors downtown for our opening event (this was the first year we have staged the parade before the grounds opened), the highest all time ridership ever on a Tuesday, and the highest ever Monday Morning Magic attendance with nearly 2000 special needs guests coming out to enjoy hosting by the entire Edmonton Eskimos football and cheer teams. We are particularly proud and thankful to our volunteers who made personal calls to ensure more children made it out to enjoy this activity than ever before.

Northlands Major Events – The Edmonton Indy

The City of Edmonton has been a proud host for open-wheel auto racing since 2005. The Indy Racing League circuit is host to some of the biggest events in the world of auto racing including the Indianapolis 500 and the Grand Prix of St. Petersburg. In 2009 Northlands presented the Edmonton Indy as one of just two Canadian stops on the Indy circuit. Race fans travel far and wide to attend an event of this calibre and the race was broadcast to over 143 million homes across 36 countries and territories worldwide. Race coverage appeared on over 98 different Internet sites and in over 75 different newspapers presenting a significant opportunity to profile the city of Edmonton on a global stage.

Although the Edmonton Indy has been a success based on media coverage, global exposure, event attendance and economic impact for our city, there are still continuing financial challenges. For 2009 Indy incurred a \$3.9 million dollar financial shortfall (compared with \$5.3 million in 2008). A revenue shortfall of \$2.8 million was directly related to the economic downturn, which affected everything from sponsorship to tickets sales, to food and beverage consumption. We did exceed targets in event expenditures, which were reduced by \$4.3 million in expenses over 2008, without diminishing the quality of the race (in 2010 we aim to further reduce expenses by another \$1.5 million). The results of the Edmonton Indy have not been consolidated in the financial statements for Northlands.

Northlands takes our financial stewardship of this event very seriously. While the event brings great international profile and cosmopolitan cache to the city, it will not break even operating on a temporary site. To put this in perspective, it requires a \$4.2 million upfront investment to cover the sanctioning fee, broadcast expenses, grandstands and infrastructure costs to support this event. When you consider that Northlands turns a working airport into a small village, paving a track and erecting seating, tents and all of the supporting infrastructure required to host Indy and then returns it back to an airport in roughly twelve weeks, it is not difficult to understand how challenging it is to create a revenue neutral project in a temporary venue.

Indy Racing League executives and its drivers were very complimentary about the execution of the 2009 Indy, claiming Edmonton is one of the best run events on their circuit. The City of Edmonton committed financial support for 2008 through 2010, sharing in profits or funding any losses associated with this event. Edmonton City Council will review the event in the spring of 2010 to determine if they will extend their support beyond the initial three-year agreement.

Northlands Major Events – Canadian Finals Rodeo

In 2009 Northlands hosted its 36th Canadian Finals Rodeo (CFR), bringing six action-packed performances over five days to Rexall Place. Every performance showcased the best rodeo athletes from Canada, United States and New Zealand competing against the best bucking stock and the clock for bragging rights and prize money. The take for contestants reached \$1.3 million in 2009, making this year's CFR the largest purse in its history. The increase in prize money is a collaborative effort between Northlands and the Edmonton Destination Marketing Fund and helps us attract international athletes to our event – ensuring our audiences see the best competition in Alberta. Despite high attendance figures, and the introduction of trial corporate hosting elements, CFR was not immune to impacts resulting from the economic downturn. CFR is considered the pinnacle of the rodeo season and is one of Alberta's biggest tourism draws in the fall, yet Northlands felt the impacts of less disposable travel income through lower than average sales to our longer term fan base who typically buy six-performance ticket packages. The CFR contributed \$378 thousand to Northlands' earnings for the year, down \$454 thousand from 2008.

The good news for CFR is that Northlands and the Canadian Professional Rodeo Association (CPRA) signed a contract extension that will see this event continue in Edmonton through 2016. CFR is an important economic driver for our community and this extension provides much needed certainty in uncertain times. This also affirms Northlands opportunity to expand our event as planned. The opening of the Edmonton EXPO Centre gives us room to grow, literally. This is an event that has been programmed to maximum capacity; however, in 2010 we will add a cabaret space and execute on our long-term strategy to increase Wednesday and Thursday night sales through a corporate hosting program.

There is no question the CFR delivers when it comes to creating exceptional experiences and anyone who attended Military Tribute Day will agree. Our salute to the Canadian Military can attest to this. Over two hundred members of the military and their families were in attendance and rodeo fans responded by wearing red as a show of support. The go-round winners (event day winners) also donated their buckles to members of the military in a moving tribute. Fan favourites, Cowboy Poker and Wild Pony Racing returned alongside big name performers like George Canyon, Crystal Shawanda and Aaron Pritchett.

From a philanthropic point of view, the CFR helped Northlands support two major charities in 2009:

- We offered a record breaking 50/50 draw thanks to a carryover from last year's 50/50. Wednesday night's winner took home \$38,472 with all proceeds donated to the Edmonton Rodeo Cowboy's Benevolent Foundation;
- Black Tie Bingo, our annual fundraiser for the Edmonton Rodeo Cowboy's Benevolent Foundation, also provided a great night out for our loyal fans;
- Since 1994, the Edmonton Rodeo Cowboy's Benevolent Foundation has distributed \$1.3 million to some 190 recipients; and
- We asked guests to bring a donation in support of Edmonton's Food Bank. This was important to us because a key organization who supports the Food Bank was unable to host a large annual fundraising event, so it was nice that we could step forward to provide alternative support.

Agriculture

Northlands remains committed to its agricultural roots and welcomes the opportunity to provide a venue for the Alberta agriculture industry to meet and do business. We are delivering a diverse strategy that covers many facets of the industry. We have expanded our focus to include livestock and equine, allowing us to accommodate more of the primary agriculture industry (i.e. swine, turkey, goat, alpaca, sheep). Our strategy is also focused on education and youth development putting a higher profile on our youth and agricultural educational programs.

Looking back on 2009 our biggest success surrounded our strategy to move our key programming elements into two seasonal windows, the spring and fall. This helped us better control expenses but also enabled the introduction of key programming changes through the Northlands Farm and Ranch Show and Farmfair International.

We added three new elements to the Northlands Farm and Ranch Show:

- Women in Agriculture, where we introduced a series of topics ranging from succession planning on the farm to stress management programs;
- Envirotech, where we offered speakers and educational sessions to inform producers on opportunities to become more sustainable. This was a great success, growing our show by 100 exhibitors; and
- We introduced the Alberta Grows Food Show with a featured chef from the Food Network. The intent of this show is to bring focus to the local food movement by promoting local food offerings and providing education on the types of food that can be grown here. In 2009 we appealed to a more urban audience. In 2010 we will fine-tune this show to put more focus on how producers can diversify their operations.

The Northlands Farm and Ranch Show was also a financial success, earning \$196 thousand, an increase of \$16 thousand over 2008.

Farmfair International continues to evolve and in 2009 we solidified Northlands' position as innovators thanks to industry cooperation that led to a more robust offering. Attendance at Farmfair International grew by 20 per cent. Satisfaction survey levels rose from 60 per cent in 2008 to 80 per cent in 2009, thanks in part, to a hospitality strategy we introduced to make sure our exhibitors felt more welcome and appreciated by Northlands. Other factors that led to Farmfair's success included:

- We moved all equine programming from Horse Power into Farmfair creating a larger mass of people who would attend this event;
- We exceeded our revenue targets on several programs as a result of the realignment of our beef programming. We consolidated livestock programming into three halls, using the fourth hall for equine programming allowing for programming crossover that we have never been able to achieve before;
- Thanks to the opening of the Edmonton EXPO Centre we added an equipment component to Dodge City and surpassed 2008 revenues by \$40 thousand;
- Working with the beef breeds and Alberta Agriculture and Rural Development, we created a unique hosting area for producers to showcase their livestock and this in turn grew our food and beverage revenues;
- We engaged the 4H Northwest region in developing 4H Family Day for Farmfair that attracted 4H members from many regions of Alberta;
- We developed our first agriculture scholarship programs raising \$6,500 at the Fun Town Farm by selling milk at the "MOO BAR" and selling "Cows for Kids" at Farmfair International. Both programs have great potential because they are volunteer-driven;

- Amazing Agriculture was once again a great success with attendance climbing to 4000 school children (up from 2700 in 2008) in addition to the 1100 general guests who attended this free event; and
- We worked closely with the National Livestock Show and Rodeo in Denver, Colorado. Northlands participated with the provincial government and the Canadian Consulate on this outbound trade mission helping us make critical contacts that could expand our international attendance for 2010.

2010 looks promising for agriculture. Northlands will keep its focus on creating a critical audience mass. The completion of the Edmonton EXPO Centre is truly the catalyst that will help us further develop our agriculture and food programming since the larger space gives us opportunities to host events with a broader appeal that will increase attendance and revenue.

Racing and Gaming

Racing and Gaming experienced a very challenging year in 2009. Our total handle reached \$87.6 million (\$101.5 million in 2008), a 13.7 per cent decrease from last year. While this decrease is significant, the business was managed with discipline and generated approximately \$2.6 million in earnings before depreciation and amortization for Northlands.

Factors that affected Racing and Gaming performance in 2009 included intense competition for gaming dollars in Edmonton and the negative effect the economy is having on our customers. In fact, gaming in Alberta was down 10 per cent overall. Seniors represent roughly 70 per cent of our guests at Northlands Park and have been hardest hit by the recession.

For the first time in almost 100 years, there was no live horse racing in the Calgary market, leaving Northlands to operate the only 'A' track for both the thoroughbred and harness live race meets in Alberta. Northlands hosted 132 days of live racing compared to 160 in 2008, entertained 1.4 million guests and paid out \$14.6 million (\$18.9 million in 2008, a 22.8 per cent decrease) in purses.

Though our total Racing and Gaming revenues were down, we still managed to deliver some of the exceptional experiences our fans expect. Looking back on 2009 there were three clear highlights:

- The Millionairemaker Slot Tournament promotion was a smash-hit. The promotion gave our guests at The Slots a chance to win a trip to a slot tournament in the United States where a million dollars in prize money was on offer.

- The Canadian Derby garnered the highest single-day wagering total for live racing in Edmonton in the last nine years when almost \$1.1 million was bet on the race. The event was also broadcast live on TSN – Canada’s leading sports channel – and 630 CHED, Edmonton’s most listened to radio station. Derby Day also produced record-breaking food and beverage sales in the Spectrum and an overflow crowd at the new Derby Family Fun Zone. It was also a fantastic day for the slot machine operation with the strongest single day sales ever, surpassing last year’s performance by more than 30 per cent.
- On the heels of a successful Canadian Derby, the 2009 Alberta Fall Classic at Northlands Park produced a double-digit increase in wagering to more than \$500 thousand. Fall Classic day also marked the start of a new tradition – a sold-out, fully sponsored Paddock Theatre luncheon.

In 2009 we worked extremely hard to manage costs to ensure the business unit generated positive earnings. Northlands fared well in comparison to many other jurisdictions across North America where decreases in handle of 30 - 40 per cent were not uncommon. The live racing industry in Quebec was shut down and New York City Off Track Betting filed for bankruptcy.

To remain competitive, we will work with the horse racing industry to better manage stakeholder expectations about what is required to ensure the industry remains sustainable in the long run. This may mean a new operating model that reflects the realities of the industry’s performance. We will also make further changes to control costs and improve our competitive position, hosting 132 days of live harness and thoroughbred racing in 2010, as well as placing more emphasis on providing value for our loyal players through enhancements to our rewards program.

Sales, Hospitality and Client Services

Sales, Hospitality and Client Services had another great year. Northlands experienced decreased attendance in all of our major event categories with the exception of Rexall Place and Event Delivery. The global economy has certainly affected disposable spending in our city but 2009 showed us that regardless of tighter purse strings, this is one area where our community is still spending. In 2009 we saw a \$4.3 million increase in revenue, which we largely attribute to higher food service sales at Rexall Place. Event Delivery also earned \$435 thousand more than in 2008. Pollstar, the world’s leading industry publication, named Rexall Place the third busiest arena in Canada, further validating our programming success. Northlands was just 5000 tickets shy of Toronto’s Air Canada Centre which earned the number two position. Along with our tremendous schedule of musical events (42) we hosted high profile comedy shows and spectacular sporting events, showing the diversity of the market. Looking back on 2009, the highlights at Rexall Place included:

- Five comedy shows. 2009 was the year of the comedian in Edmonton as we showcased the talents of Dane Cook (two shows), Jeff Foxworthy, Jeff Dunham and Russell Peters;
- Forty-two concerts including class acts like Neil Young, the Eagles, Leonard Cohen, Fleetwood Mac and Rod Stewart. And for our younger fans, the Jonas Brothers, Britney Spears, Jay Z and Beyonce to name just a few;

- Support to our industry partners in the entertainment and fair business by contributing to the Tim McGraw Make Up Concert following the disaster at the Big Valley Jamboree;
- Hockey, hockey and more hockey. We hosted the Edmonton Oiler Rookie Camp and Training Camp, four NHL Pre-Season Hockey Games, 42 NHL Regular Season Hockey Games, 36 WHL Regular Season Hockey Games and eight NLL Lacrosse games as well as several community events;
- Successful family shows that included Disney's High School Musical on Ice, The Wiggles and nine days of Walking with Dinosaurs running concurrent with Capital EX;
- Sporting events like Monster Jam, Stars on Ice, King of the Cage, and of course the record breaking Roar of the Rings Canadian Curling Trials. Rexall Place hosted 17 curling draws in nine days igniting curling fans' Olympic spirit as Canada selected the men's and women's curling teams that would represent our country at the 2010 Winter Olympics.

The Edmonton Exposition and Conference Centre officially opened on December 1st making way for multiple catered events through the holiday season. The Roar of the Rings opening banquet was our first official event in the new Alberta Ballroom and we also hosted the O Canada Lounge, Sponsor Lounge and Keith's Patch.

The Event Delivery side of our business did experience some challenges in 2009. Difficult economic times, construction and some harsh winter weather affected attendance at some of our trade and consumer shows but we identified cost savings and drove a successful short-term sales program that helped us contribute earnings of \$1.5 million to Northlands.

Concerts, cabarets and sporting events performed well. Once again, the expanded Edmonton EXPO Centre helped us grow events that required an arena set-up. Offspring played to a sell out crowd and we hosted several mixed martial arts events. Sonic Boom, a one-day alternative music festival, was a success as was Campus Chaos, a three-hall indoor music festival.

Although we saw some cancellations of catered events in the first and second quarter of 2009 we ramped up our marketing and sales efforts to pick up a considerable number of events in the third and fourth quarter and enjoyed a very busy holiday season. The expanded Edmonton EXPO Centre also positively impacted food and beverage sales in the fourth quarter because of the unexpected increase in catered events.

Marketing and Communications

Brand building and awareness continued as a strong focus for us in 2009, both for our signature events, and for the corporate Northlands brand. Our corporate brand awareness efforts included an innovative take on a 'Report to the Community', capturing the dynamic qualities of the Northlands brand through a booklet series depicting our leadership, investment, values and experiences. Our brand awareness approach remained targeted to business and community leaders with an overarching focus to build our audiences' understanding and appreciation of Northlands as a business leader and the centre of excitement in the Capital Region.

In its second year, the Edmonton Indy once again provided an international opportunity to profile the capital city. In 2009, the event was broadcast to 143 million homes across 36 countries and territories worldwide and coverage appeared in over 75 different international newspapers (an increase over 2008). There is no question the Edmonton Indy is a high profile event for Edmonton, and we focused on leveraging this opportunity to promote the appeal of our city as a tourism destination in 2009.

Our major events this year – 42 concerts, five comedy shows, 13 family shows and sporting events for everyone – helped us build on our reputation as being Edmonton's leader in delivering world-class entertainment.

Northlands has earned its position as the second largest tourist attraction in the city, bringing in four million visitors each year and we continue to work with our partners to drive the region to growth. The opening of the Edmonton EXPO Centre gives Northlands even more opportunity to attract the country's largest events to our city. We anticipate this venue will boost the economy by \$595 million through 2010.

A priority for Marketing and Communications this year is to continue to tell the Northlands story, raising awareness of our position as Edmonton's arena experts, and most importantly, our work as a leading business and community leader, committed to driving the Edmonton region to even greater growth and prosperity.

Staffing

Northlands is one of the larger employers in Edmonton. The staging and production of events creates a dynamic environment for our employees who have an opportunity to "be part of the show."

The economy of 2009 resulted in higher retention rates. As we move into 2010, we anticipate that the labour market will become more competitive and recruitment will once again be a top priority.

Volunteers

Volunteers are a vital part of our success. Thanks to their hard work and dedication we deliver more than 2500 exceptional events every year. In 2009, almost 1700 volunteers provided in excess of 34,000 hours of exceptional service during Capital EX, Farmfair International, the Canadian Finals Rodeo, Edmonton Indy and other events.

Northlands offers every type of volunteer experience imaginable, as well as the chance to get involved in something meaningful. Whether helping a child climb on to a bronco for the first time during Rodeo Magic or selling 50/50 tickets that support local community leagues, our volunteers are committed to helping us deliver unforgettable experiences. In 2009, our focus areas included attracting highly skilled and qualified volunteers and building a base of volunteers who are enthusiastic advocates for Northlands in the community.

Operating expenses by area

	2009 (\$'000s)	2008 (\$'000s)	2007 (\$'000s)
Northlands Major Events	14,268	14,784	15,034
Agriculture	3,530	4,278	2,996
Racing & Gaming	76,313	81,652	80,484
Sales, Hospitality and Client Services	41,223	37,340	44,498
	135,334	138,054	143,012

Other expenses

	2009 (\$'000s)	2008 (\$'000s)	2007 (\$'000s)
Grounds and building maintenance	4,341	5,789	5,174
Administration and corporate programs	6,363	5,353	4,449
Sales and marketing, net of corporate sponsorship revenue	3,250	3,913	3,060
Depreciation and interest expenses	5,364	5,425	1,015
	19,318	20,480	13,698

Grant income

	2009 (\$'000s)	2008 (\$'000s)	2007 (\$'000s)
Alberta Lottery Fund			
- Agriculture & Economic Initiatives	10,000	10,000	10,000
Horse Racing Alberta	9,722	7,258	5,724
City of Edmonton Support Agreement	2,444	2,389	2,337
	22,166	19,647	18,061

OUTLOOK 2010

This section contains forward-looking statements, which are not historical facts but are based on certain assumptions and reflect our current expectations for our business through the eyes of management. Northlands cautions readers not to put undue reliance on forward-looking statements since there are unforeseen factors that can affect their accuracy. While outlook statements are valuable in providing insight into the year ahead, it is important to recognize that with any assumptions or predictions there is always the risk that forward-looking statements will not prove to be accurate.

Northlands anticipated 2009 would be a challenging year. Although we were not as adversely affected as other businesses in our community or in our industry, the economy definitely affected us. Attendance, dollars spent and overall revenues were down, yet our diligence in managing costs helped us grow our net earnings to \$2 million (\$566 thousand in 2008). While the pace of economic growth is expected to improve in 2010, we intend to manage costs with the same rigor as in 2009. Northlands has always had a good reputation as being fiscally prudent, yet this past year saw us place an even higher priority on managing the costs of the business and we will continue this approach in 2010. We have already adjusted staffing levels upon reflection of forecasted demand, reducing our investment in wages and benefits by \$1.5 million. We will continue to monitor economic influences and drive operations accordingly.

We opened the highly anticipated Edmonton EXPO Centre in the winter of 2009. There is no question that having the Northlands site under construction caused operating issues. There were day-to-day changes to parking, our tradeshow operators worked within a partly renovated facility and changing pedestrian flows caused challenges as we circulated guests through halls. Our Capital EX team had to deal with site changes three years in a row. Accommodating construction did change the guest experience at Northlands and was, at times, difficult for staff who managed these constant shifts and worked in the midst of a construction zone. We believe the temporary affects, however, were worth the cost since Northlands predicts that the introduction of the Edmonton EXPO Centre will create an economic impact of \$595 million in 2010. In 2010, we will begin to see some stability in our site layout as construction on the EXPO Centre winds-up. This will mean less inconvenience to our customers and tradeshow operators when they visit our site.

Rexall Place had another strong year in 2009. The concert business continues to perform. Disposable incomes have been reduced and guests are being selective about where they spend their money – we have been pleasantly surprised to learn this is where they spend their money. Our year-over-year performance validates that Northlands is an excellent arena operator and reinforces the many ways we contribute to our community's quality of life through the delivery of sporting events, concerts and family-oriented shows. We predict another good year for 2010. We do not anticipate significant growth, yet we believe this sector will remain steady despite the fact it is always at the whim of the exchange rate and entertainers' travel decisions. The primary change in our 2010 business plan projections is that we will not host a major national or international event (Roar of the Rings) in the venue, however, we will host another event of this calibre in 2011 which aligns with our plan to host a major international/national event once every two years.

We are pleased with the performance of Capital EX given that revenues and attendance were significantly affected as a result of a severe storm that closed our grounds on our opening weekend. Attendance was slightly down and revenues were lower by \$623 thousand over 2008, however, significant cost efficiencies were identified and will be carried through 2010. Northlands recognizes Capital EX is a mature product, therefore, we are taking a number of steps to best manage our offering next year. Steps being taken include using the expanded Edmonton EXPO Centre facilities instead of incurring costs to create temporary facilities on the grounds and relocating ED Fest to take advantage of the permanent facilities located at the TELUS Stage.

The Canadian Finals Rodeo remains a solid contributor within Northlands Major Events portfolio and our facility expansion puts us back in a position for growth in 2010. CFR is a niche product that has a steady following yet the potential the new space presents will allow us to expand through a corporate hosting program that will improve financial performance on Wednesday and Thursday nights. This is a strategy we have envisioned for many years and the opening of the Edmonton EXPO Centre is the enabler, providing the space we need to introduce a cabaret alongside increased corporate hosting opportunities.

Year two in Northlands' three-year offering of the Edmonton Indy proved challenging. The infrastructure expenses associated with presenting this type of event at a temporary venue are difficult to recover in a tough economic market. Indy racing is a sport that relies heavily on sponsorship revenue and it has not been available, at the level required, in the first two years of operations. Northlands is suffering the same pains that others are experiencing with this sport – ticket sales are consistently challenged and sponsorship has weakened with the global economic downturn. That said, the Edmonton Indy is an international event that brings huge profile to Edmonton and the province. Not only does it give Albertans the opportunity to take in a world-class auto-racing event, contributing to the social fabric of our community, it gives our city exposure in the international press, raising our profile in markets where Edmonton does not have extensive media coverage.

Northlands' goal, through all of this, is to make sure we meet the City of Edmonton's needs in terms of value for the investment. 2010 is the last year of our contract with the Indy Racing League and Northlands will work closely with the City, who is the primary funder and supporter of the event, to evaluate our options for the future.

Given the challenges in the agriculture business, Northlands' 2009 performance in this area was good. We continue to invest to support the agriculture industry in challenging times. Our Farmfair International Show and Northlands Farm and Ranch Show were both successful in terms of attendance and feedback – industry response is remarkably upbeat. Creating critical mass around two seasonal windows will control costs and maximize the use of our set-up. Northlands will use new insight into customer demands to introduce enhanced programming next year. Once again, our new larger space gives us opportunities to create the broader appeal that will increase attendance and revenue within the agriculture portfolio.

The horse racing industry in Alberta continues to be in transition. The Calgary market remains uncertain as a result of the end of 'A' track racing there, and the industry's progress to build a replacement track remains tenuous in Balzac. This uncertainty forced Northlands to support two breeds at a time when we are seeing the interest in racing and gaming down across the province. Running live racing is an expensive sport and having animals on site is an expensive proposition. Not unlike Indy racing, there are many fixed costs that are difficult to reduce. As we monitored decreased revenue in 2009 we worked diligently to reduce expenses, change staffing levels, realign menus and hold back on major projects. We anticipate more of the same in 2010, so we will reduce live racing days to 132 (from 146 in 2009 and 160 in 2008), and put a more aggressive focus on marketing to our loyal players. The industry overall (owners, tracks and regulators) is working to identify how the industry needs to evolve to be successful on a go forward basis. Northlands will continue to be a part of discussions to find the right business model for a sustainable horse racing industry in Alberta.

We believe Sales, Hospitality and Client Services is where our future lies in terms of growth. The Edmonton EXPO Centre was built in response to client demands and now that we have the venues they were seeking – the right mix of halls and breakout rooms – in addition to our catering capabilities, Northlands is well positioned to service a niche that has not been well served by the existing market. Catering banquets for 700 - 900 guests is a key differentiator for us and we anticipate it will positively affect our income statement in 2010 as we expect to nearly double the number of catered events we host.

Financial and capital management/liquidity

Consolidated assets were \$241 million as of December 31, 2009, compared to \$196 million in 2008, representing an increase of \$45 million. During the year, fixed asset additions were \$54.6 million. These additions were financed primarily by an increase in long-term debt and an increase in contributions for expansion of facilities. In addition to this, the City of Edmonton contributed \$1.8 million for improvements to Rexall Place in 2009.

In 2010, we anticipate fixed asset additions to amount to \$18.7 million, the majority of which will relate to the completion of the Edmonton EXPO Centre.

Consolidated statement of cash flow

Cash provided by (used in)	2009 (\$'000s)	2008 (\$'000s)	2007 (\$'000s)
Cash and Cash equivalents, beginning of year	12,377	18,341	17,860
Operating activities	10,917	(4,621)	12,551
Investing and financial activities	(14,546)	(1,343)	(12,070)
Cash and Cash equivalents, end of year	8,748	12,377	18,341

Capital projects

The majority of the 2010 capital program will be dedicated to completing the Edmonton EXPO Centre project. The new building space opened late in 2009, so 2010 will be dedicated to finishing the exterior work (i.e. the plazas and landscaping). We will also renovate and upgrade the original public mall space, integrating its look and finishes with that of the Edmonton EXPO Centre to create a seamless transition between the spaces.

Major maintenance

Northlands is committed to maintaining and renewing our site as a world-class venue. In 2010, we have several projects planned including roof repairs to our barns and the Edmonton EXPO Centre (roofs over the old AgriCom space) as well as ongoing infrastructure upgrades such as sewers at the barns and asphalt maintenance throughout our site.

Anticipated maintenance expenditures over the next five years are shown in the following table. We are currently assessing alternate sources of funding for these projects, as expenditures are restricted by the availability of cash generated from operations.

	Major Maintenance (\$'000s)	Capital (\$'000s)	Total Projected Expenditures (\$'000s)
2010	2,294	18,692	20,986
2011	2,413	9,103	11,516
2012	3,532	8,474	12,006
2013	2,359	7,401	9,760
2014	2,359	7,408	9,767
	12,957	51,078	64,035

Net funds generated by Northlands to federal and provincial agencies

Northlands continues to be a net contributor to federal and provincial agencies. The following table outlines net funds generated by attendees at Northlands over the last 10 years through our various gaming activities.

	\$ Millions	2009	2008	2007	2006	2005	2004	2003	2002	2001	2000	10 Year Cumulative
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
HRA ¹ /ARC ² fees & levies	6.4	7.0	6.6	6.1	5.7	5.0	4.8	4.8	4.6	4.2		55.2
AGLC ³ gaming proceeds	32.8	35.4	36.4	42.7	39.1	36.2	30.6	23.2	13.2	11.8		301.4
Federal tax	0.9	1.0	1.0	0.9	0.8	0.7	0.7	0.7	0.7	0.6		8.0
Generated by Northlands	40.1	43.4	44.0	49.7	45.6	41.9	36.1	28.7	18.5	16.6		364.6
Discretionary grant/ pari-mutuel tax rebate	1.1	0.9	1.2	0.8	0.8	0.7	0.8	0.8	0.8	0.7		8.6
HRA Operating Grant	6.8	7.3	5.4	6.4	5.8	7.4	6.3	4.8	-	-		50.2
HRA Transitional Funding Grant	2.9	1.1	0.0	0.0	0.0	0.0	0.0	0.0	-	-		4.0
HRA Capital Grant	0.0	0.0	1.1	1.9	2.2	2.0	0.0	0.0	-	-		7.2
Alberta Lottery grants	10.1	10.1	10.1	10.1	9.4	7.1	7.1	7.1	7.1	7.1		85.3
Received by Northlands	20.9	19.4	17.8	19.2	18.2	17.2	14.2	12.7	7.9	7.8		155.3
Net funds generated by Northlands	19.2	24.0	26.2	30.5	27.4	24.7	21.9	16.0	10.6	8.8		209.3

Excludes City of Edmonton support payments of \$2.3 million per annum which are used solely to fund a portion of the financial concessions given to the Edmonton Oilers.

AGLC gaming proceeds for 1999-2001 are net of funds (2001: \$6.0 million; 2000: \$5.6 million; 1999: \$4.5 million) retained by Northlands to fund racing operations and capital improvements.

¹HRA (Horse Racing Alberta) ²ARC (Alberta Racing Commission) ³AGLC (Alberta Gaming and Liquor Commission)

Risk and risk management

Uncertainty in the economy presents the greatest risk for Northlands. We have come through a period of tremendous economic growth and are now managing contraction, which has pushed our focus toward managing costs and maximizing profits. The completion of the Edmonton EXPO Centre could not have come at a better time since we were anticipating operational cost efficiencies for event execution and new revenue potential as we fill a market niche on the catering side of our business. The additional space also presents long anticipated growth opportunities for events that had reached their potential in our existing space – namely the Canadian Finals Rodeo and Capital EX.

Two other factors presenting risk are uncertainty in the Alberta horse racing industry and the future of Rexall Place as the Edmonton arena discussion continues. The horse racing industry will come together in 2010 to identify a plan for long-term sustainability and Northlands will be a key contributor to those discussions. When it comes to the arena, it is difficult to predict the outcome, however, we are engaged in the process and we will continue to work with our stakeholders, the City of Edmonton and the Katz Group, to arrive at a solution that is in the best interest of the entire community. In the meantime, we will continue to run Rexall Place as a world-class entertainment venue and we intend to maximize opportunities in this area. For 130 years Northlands has been attracting and producing the biggest and best live entertainment and events Edmonton has ever seen. We have evolved and adapted to changing circumstances and we will continue to evolve and adapt, but we will not take our focus off of what is best for the citizens of Edmonton and north-central Alberta over the long-term.

General economic conditions

Economic conditions affect the demand for our products and services and influence the type of events and activities we deliver through our facilities. Since Northlands' major activities revolve around entertainment and trade and consumer shows, our ticket sales, gate receipts and general levels of participation are closely connected to the amount of disposable income that is available in Edmonton and north-central Alberta.

In the past, Alberta's strong economy provided us with unprecedented levels of growth. Toward the end of 2008, however, we began to feel a slight downturn in the economy that stayed with us throughout 2009. Although we experienced lower than anticipated attendance throughout our programming – with the exception of Rexall Place – we did not see the drastic reductions felt in other markets and an incredibly positive response to the introduction of our newly opened Edmonton EXPO Centre certainly helped us in the final quarter of the year.

Northlands constantly monitors economic conditions, including interest rates that could affect our cash flow. We continually implement strategies to mitigate risks, ensuring we get the best value for every dollar spent, and adjust our expenditure plans in relation to net earnings.

Management of facilities and construction risks

Completion of exterior work and renovations to our original mall space are the final major components to finish the Edmonton EXPO Centre. Both projects are scheduled for completion by mid 2010 and remain a high priority for Northlands.

As we focus on this work, we continue to mitigate project risks and any potential scheduling challenges between construction and facility events. Work in progress and customer inconveniences put us at risk for loss of business, along with decreased attendance at shows and the resulting loss of revenue from parking and concessions. We anticipate that some of the shift the Alberta construction economy experienced in 2009 will carry over in 2010 and will reflect positive impacts on the overall project budget.

Building the Edmonton EXPO Centre has had an impact on all of our core businesses and Northlands is adapting its services and operations to suit the new physical conditions and customer expectations. Collaboration remains key to developing solutions and mitigating risks as we complete construction. These risks are managed through strategic measures such as regular status reporting, project planning and scheduling, timely ordering of labour, equipment, and materials, adherence to safety guidelines and ongoing and increased communication with all stakeholders and customers using the site.

The scheduling of facility use to maximize revenues is always complex and the use of Northlands facilities peaks during certain times of the year. Increased event activity and contractual commitments to our clients can also affect cost effective scheduling of facility maintenance. Finding the incremental finances to support an aging infrastructure and maintain facilities continues to present challenges, at least in the short-term, and is closely related to our overall financial success.

Edmonton's arena discussion

In 2009, Northlands continued our leadership role with the Katz Group and the City of Edmonton to define a working framework for a new sports/entertainment complex for Edmonton. This is an exciting vision for our city, and we continue to support the opportunity for a downtown arena that is financially viable and in the best interests of the entire community. Northlands will continue to play a leadership role in the pivotal next steps of this process.

As event producers for Edmonton's biggest and best events, with unrivalled expertise in arena ownership and operation, Northlands is uniquely placed to be the operator of a future facility in the downtown core. Rexall Place, owned and operated by Northlands, has earned a reputation as one of the best arena venues in the world. We are also very proud of the role we play as a key partner in supporting NHL hockey in Edmonton, in partnership with the City of Edmonton and the Katz Group. Northlands has a track record of excellence in arena ownership and operation, and is focused on ensuring that our community has the best event and entertainment options available through a venue like this.

Though we support this vision of a downtown arena solution, we also have a responsibility to research what happens to Rexall Place, should Edmonton decide to proceed with a new downtown arena development. This approach is consistent with the leadership role that Northlands assumed in 2007 when we engaged HOK Sport (Populus) to conduct a renovation study of Rexall Place.

Environmental sustainability

When it comes to environmental stewardship and sustainability, Northlands is committed to being a business and industry leader by setting aggressive targets for waste reduction, energy management and recycling. Our Environmental Action Committee champions this work, setting new benchmarks around the green initiatives that touch every part of our organization each year.

Just as green operations are a customer expectation, they have become a Northlands standard. In 2009 we introduced Code Green to raise the profile of our environmental program amongst employees and guests. As part of this introduction, we now have three-stream recycling receptacles throughout our site and an organics program aimed at diverting 100 per cent of our food waste from the EXPO Centre to a composting facility. Northlands will increase efforts in 2010 by collecting organics in our Rexall Place and Spectrum kitchens.

Northlands is committed to supporting regional food producers. A benefit of this commitment is that it supports our efforts to reduce our carbon footprint. Northlands is proud to partner with local food suppliers who share our values of buying fresh, quality products along with the fundamental practice of environmental stewardship and sustainability. This year we earned accolades for reducing our carbon footprint. The Canadian Green House Gases Challenge Registry recognized Northlands as a Bronze Champion Level Reporter, the third highest level of achievement in the Registry. This award showcases our efforts to reduce green house gas emissions.

Increasing competition

Maintaining and growing our business requires Northlands to position our products and services competitively against other agencies and organizations throughout Western Canada and beyond our national borders. We continually measure our offerings against others in competitive categories, working to set the benchmark for the marketplace.

The completion of the Edmonton EXPO Centre positions Northlands as the premiere destination in Western Canada for trade and consumers shows. With the addition of the conference facility, we have expanded our market and will work closely with Edmonton Tourism to promote this facility as a significant addition to the Edmonton product.

When it comes to our annual fair, Northlands recognizes Capital EX is a mature product, so we will make key changes in 2010 to better position Capital EX within the competitive summer festival landscape:

- We will put more of a marketing and programming focus on the loyal family clientele that support this showcase;
- We will continue to work with community groups to support their association with the fair;
- We will reduce our operating expenses by moving some parts of our festival indoors (this also reduces inclement weather risks)

- We will increase revenue by maximizing our new space, introducing programming and revenue opportunities we have not had before;
- We will keep the type of entertainment that guests have loved at ED Fest but move it to the TELUS stage to reduce set-up costs while enhancing the guest experience since they will have more room to enjoy this event;
- We will move the Edmonton Indy to our opening weekend; and
- We will introduce a daily 50/50 raffle at Capital EX to take advantage of what we believe is an emerging lottery product.

Northlands is in the final year of its three-year contract with the Indy Racing League (IRL). Our relationship with this partner is very strong and the IRL has indicated Edmonton's race is one of the most successful on the circuit. Moving into 2010, we will work with the City of Edmonton, the financial supporter of this event, to see if there is a willingness to continue to produce the event. Northlands feels the current business model – using a temporary venue – is not sustainable.

2010 programming for the Canadian Finals Rodeo will be similar to 2010 but our expanded space will see us add corporate hosting on Wednesday and Thursday nights as well as add a vibrant Cabaret venue. Our strong partnership with the Canadian Professional Rodeo Association allowed us to secure a new contract for this major event, with Northlands now set to host CFR through 2016.

In 2009, our Agriculture business consolidated programming into two seasonal windows, further positioning Northlands as an innovator by adding show elements that really spoke to the industry and increased attendance at Farmfair international by 20 per cent. To improve our competitive edge, 2010 will see us engage industry experts within the environment and technology sector, to ensure we are keeping our finger on the pulse of industry trends in these areas. Agriculture will again offer our newly launched Women in Agriculture program, but will make refinements to strengthen its audience appeal. We will also shift our hugely successful Amazing Agriculture program to become part of Farmfair, providing an even broader educational opportunity for students and further reducing our set up costs. We are also making a new value pass available to our Northlands Farm and Ranch Show patrons, combining parking and admission costs as part of a pay-one-price strategy.

Staffing

A big component of our business is dependent on the efforts of 2200 volunteers. Given the downturn of the economy we are much more conscious of labour costs and like most organizations, are making adjustments to staffing to find the optimal levels in a quieter economic period. In an effort to improve and return net contribution to historical levels, we are reducing our wages and benefits spending by \$1.5 million in 2010.

Event staff are a critical element for successful program delivery. They are the face of Northlands to our many guests. Resourcing them with effective and timely information continues to be a key strategy in maintaining customer service levels.

Strategic partnerships and corporate sponsorships

Northlands is a key partner to industry in the areas of business, trade, entertainment, sport, tourism and agriculture in the Edmonton region and throughout north-central Alberta. Northlands, and the broader community we serve, benefit from our relationships with Horse Racing Alberta, the Canadian Professional Rodeo Association (who help us deliver the highest calibre of competition through the Canadian Finals Rodeo), the Edmonton Oilers, Edmonton Tourism, the Destination Marketing Fund, the City of Edmonton and the Province of Alberta. In fact, without the support of our partners in government, the completion of the Edmonton EXPO Centre would not have been possible and for the community, this partnership alone is worth an estimated \$595 million in economic development activity in 2010.

As a long-time member of the Chamber of Commerce and a supporter of the Downtown Business Association, Northlands commitment to the business community has never been stronger. In 2009 Northlands Downtown opened its office in the heart of the city in the World Trade Centre, ensuring Northlands is even more connected to its many stakeholders and partners through our presence in the downtown core.

Like many other facets of our business, the economy affected sponsorships and hospitality as corporate partners reduced budgets and limited new ventures last year. Many blue-chip sponsors remained committed to our signature events and programs – we even welcomed Labatt as a major sponsor for Capital EX, CFR and the Edmonton Indy – however, new opportunities for sponsors and hospitality were not fully realized. For instance, adding Indy to our signature event portfolio presented a new opportunity to cross promote this exciting product with Capital EX, but from a sponsorship perspective it is most appealing to the auto industry who was most negatively impacted by the economic climate. This certainly impacted our ability to seek the support we anticipated. That said, we remain thankful to sponsors like Bank of Montreal, Chrysler, Dodge and a host of others, who continue to support our events in a meaningful way.

AUDITED FINANCIAL STATEMENTS

For the year ended December 31, 2009.

MANAGEMENT REPORT

The accompanying consolidated financial statements of Edmonton Northlands (operating as Northlands) and all the information in this annual report are the responsibility of Management and have been approved by the Board of Directors.

The consolidated financial statements have been prepared by Management in accordance with Canadian generally accepted accounting principles. When alternative accounting methods exist, Management has chosen those it deems most appropriate in the circumstances. The significant accounting policies used are described in note 2 to the consolidated statements. Financial statements are not precise since they include certain amounts based on estimates and judgments. Management has determined such amounts on a reasonable basis in order to ensure that the consolidated financial statements are presented fairly, in all material respects. Management has prepared the financial information presented elsewhere in the annual report and has ensured that it is consistent with that in the consolidated financial statements.

Northlands maintains systems of internal accounting and administrative controls of high quality. Such systems are designed to provide reasonable assurance that the financial information is relevant, reliable and accurate and that the Company's assets are appropriately accounted for and adequately safeguarded.

The Board of Directors is responsible for ensuring that Management fulfills its responsibilities for financial reporting and is ultimately responsible for reviewing and approving the financial statements. The Board carries out this responsibility principally through its Finance and Audit Committee.

The Finance and Audit Committee is appointed by the Board, which is comprised of eight members, none of which are employees of the Company. The Committee meets periodically with Management and the independent auditors, to discuss internal controls over the financial reporting process, auditing matters and financial reporting issues, to satisfy itself that each party is properly discharging its responsibilities, and to review the financial statements and the auditor's report.

The Committee reports its findings to the Board for consideration when approving the financial statements for issuance to the shareholder members. The Committee also considers, for review by the Board and approval by the shareholder members, the engagement or re-appointment of the auditors. The consolidated financial statements have been audited by Grant Thornton LLP in accordance with generally accepted auditing standards on behalf of the shareholder members. Grant Thornton LLP has full and unrestricted access to the Finance and Audit Committee, with or without management being present.



President



Vice President, Finance
Chief Financial Officer,
Corporate Secretary
and Treasurer

AUDITORS REPORT

To the Members of Edmonton Northlands

We have audited the consolidated balance sheet of Edmonton Northlands (operating as Northlands) ("the Organization") as at December 31, 2009 and the consolidated statements of earnings, changes in net assets and cash flows for the year then ended. These financial statements are the responsibility of the Organization's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these consolidated financial statements present fairly, in all material respects, the financial position of the Organization as at December 31, 2009 and the results of its operations, changes in net assets, and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

Edmonton, Canada
March 12, 2010

The logo for Grant Thornton LLP, featuring the company name in a stylized, cursive script.

Chartered Accountants

CONSOLIDATED BALANCE SHEET

As at December 31

	2009 \$	2008 \$
ASSETS		
Current		
Cash and cash equivalents	8,748,463	12,376,681
Restricted cash <i>[note 2]</i>	3,877,163	—
Accounts receivable	11,993,428	8,226,250
Due from related party <i>[note 20]</i>	2,738,268	6,503,490
Inventories	386,068	424,261
Prepaid expenses	1,048,854	3,339,975
Total current assets	28,792,244	30,870,657
Capital assets <i>[note 5]</i>	211,668,316	164,362,357
Intangible assets <i>[note 6]</i>	380,153	522,710
Goodwill <i>[note 7]</i>	437,214	437,214
	241,277,927	196,192,938
LIABILITIES AND NET ASSETS		
Current		
Bank indebtedness <i>[note 8]</i>	2,443,193	6,871,700
Accounts payable and accrued liabilities	27,711,293	37,027,252
Deferred revenue	3,318,417	3,483,941
Funds held for others <i>[note 9]</i>	3,111,696	8,974,392
Current portion of long-term debt <i>[note 10]</i>	2,053,387	1,137,710
Total current liabilities	38,637,986	57,494,995
Long-term debt <i>[note 10]</i>	59,182,769	2,265,920
Contributions for expansion of facilities and capital debt retirement <i>[note 11]</i>	103,616,681	98,646,801
	201,437,436	158,407,716
Net Assets		
Share capital <i>[note 13]</i>	1,430	1,405
Invested in capital assets	42,486,558	40,902,940
Unrestricted	(2,647,497)	(3,119,123)
Total net assets	39,840,491	37,785,222
	241,277,927	196,192,938

Commitments and contingencies *[note 12]*

See accompanying notes to the consolidated financial statements.

On behalf of the Board:


 Director


 Director

Edmonton Northlands

CONSOLIDATED STATEMENT OF EARNINGS

Year ended December 31

	2009 \$	2008 \$
Revenues [note 14]	134,541,951	139,453,287
Expenses [note 14]	135,334,247	138,053,885
Event contributions [note 14]	(792,296)	1,399,402
Other expenses:		
General grounds and building maintenance	4,341,002	5,789,169
General, administration and corporate programs	6,363,357	5,353,208
Sales and marketing	3,250,620	3,912,673
Depreciation of capital assets, net of amortization of capital contributions	4,499,093	4,797,854
Amortization of intangibles	142,557	142,557
Interest expense [note 15]	721,417	484,741
Total other expenses	19,318,046	20,480,202
Operating loss before undernoted	(20,110,342)	(19,080,800)
Grant income [note 16]	22,165,586	19,646,692
Net earnings [note 14]	2,055,244	565,892

CONSOLIDATED STATEMENT OF CHANGES IN NET ASSETS

Year ended December 31

	Share Capital \$	Invested in Capital Assets \$	Unrestricted \$	2009 \$	2008 \$
Balance, beginning of year	1,405	40,902,940	(3,119,123)	37,785,222	37,219,315
Net earnings	—	—	2,055,244	2,055,244	565,892
Purchase of capital assets	—	54,570,624	(54,570,624)	—	—
Depreciation of capital assets	—	(8,077,903)	8,077,903	—	—
Amortization of intangible assets	—	(142,557)	142,557	—	—
Amortization of capital contributions	—	3,564,326	(3,564,326)	—	—
Accounts payable funded capital assets	—	17,222,622	(17,222,622)	—	—
Increase in capital contributions	—	(8,534,205)	8,534,205	—	—
Repayment of long term debt	—	1,980,643	(1,980,643)	—	—
Increase in long term debt	—	(58,999,932)	58,999,932	—	—
Increase in share capital	25	—	—	25	15
Balance, end of year	1,430	42,486,558	(2,647,497)	39,840,491	37,785,222

See accompanying notes to the consolidated financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

Year ended December 31

	2009 \$	2008 \$
CASH PROVIDED BY (USED IN):		
OPERATING ACTIVITIES		
Net earnings	2,055,244	565,892
Items not affecting cash:		
Depreciation of capital assets	8,077,903	8,065,429
Amortization of intangible assets	142,557	142,557
Amortization of capital contributions	(3,564,326)	(3,223,697)
	6,711,378	5,550,181
(Increase) decrease in non-cash working capital related to operations:		
Accounts receivable	(3,767,178)	878,860
Due from related party	3,765,222	(6,503,490)
Inventories	38,193	65,288
Prepaid expenses	2,291,121	(1,146,200)
Accounts payable and accrued liabilities	7,906,664	(3,365,445)
Deferred revenue	(165,524)	2,067,805
Funds held for others	(5,862,696)	(2,168,179)
Cash provided (used in) by operating activities	10,917,180	(4,621,180)
INVESTING AND FINANCING ACTIVITIES		
(Decrease) increase in bank indebtedness	(4,428,507)	6,871,700
(Decrease) increase in accounts payable funded assets	(17,222,623)	13,423,974
Purchase of capital assets	(54,570,624)	(64,831,254)
Acquisition	—	(150,000)
Contributions for expansion of facilities and capital debt retirement [note 11]	8,534,205	1,784,683
Increase in long-term debt	58,999,932	—
Repayment of long-term debt	(1,980,643)	(1,033,038)
Increase in share capital	25	15
(Increase) decrease in cash restricted for a capital project	(3,877,163)	42,590,677
Cash used in investing and financing activities	(14,545,398)	(1,343,243)
Net decrease in cash and cash equivalents	(3,628,218)	(5,964,423)
Cash and cash equivalents, beginning of year	12,376,681	18,341,104
Cash and cash equivalents, end of year	8,748,463	12,376,681

SUPPLEMENTAL CASH FLOW INFORMATION [note 21]

See accompanying notes to the consolidated financial statements.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2009

1. PURPOSE OF THE ORGANIZATION

Edmonton Northlands (operating as Northlands), formerly The Edmonton Exhibition Association Limited which was incorporated in 1908, is the successor to the Edmonton Agricultural Society of 1879 and The Edmonton Industrial Exhibition Association of 1899. Edmonton Northlands is incorporated under Part 9 of the Companies Act of Alberta as a non-profit organization. Edmonton Northlands' purpose is to provide programs and facilities to benefit the residents of Northern Alberta in the fields of agriculture, racing and gaming, trade shows, exhibitions, entertainment and community service. The Directors of Edmonton Northlands are elected volunteers who are not paid for their services. The shareholders of Edmonton Northlands, who are also volunteers, cannot receive dividends, nor can their shares appreciate in value. Shares cannot be sold, held by persons residing south of Township 34 in the Province of Alberta or by the estates of deceased shareholders.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of presentation

These consolidated financial statements have been prepared in accordance with Canadian generally accepted accounting principles ("GAAP") and reflect the policies set out below. To prepare timely financial statements that conform with GAAP, management must make certain estimates and assumptions to arrive at the reported amounts of assets, liabilities, revenue and expenses. Actual results could differ from those estimates. Significant estimates in these financial statements include the valuation of accounts receivable, valuation of capital assets and intangibles, the estimated useful life of capital assets and the accruals for contingent liabilities relating to lawsuits.

Principles of consolidation

The consolidated financial statements include the accounts of Edmonton Northlands (the "Organization" or "Northlands"), and the Organization's 100% interest in the Alberta Teletheatre Network ("ATN"). In addition, Northlands has a wholly owned subsidiary, Kirkness Lake Ventures Ltd. ("KLTV"), which has not been consolidated in these financial statements [note 20]. Intercompany transactions are eliminated on consolidation.

Cash and cash equivalents

Cash and cash equivalents include unrestricted balances with banks net of outstanding cheques and highly liquid investments with original maturities of three months or less.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2009

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Restricted cash

Restricted cash consists of funds received that have been designated for use towards expenditures on a specific capital project. These funds are recorded as restricted as the Organization will not be using them to fund current operations.

Capital assets

Capital assets are carried at cost less accumulated depreciation. Depreciation is provided for on a straight-line basis over the estimated useful lives of the assets as follows:

<u>Assets</u>	<u>Useful life</u>
Rexall Place and Expo Centre	15 to 50 years
Spectrum	25 years
Other buildings and improvements	25 years
Equipment	3 to 20 years

Depreciation is not charged on properties acquired for future expansion. Depreciation is provided commencing in the month in which the asset is available for use. For projects under construction funded by long-term debt, interest is capitalized until the project is complete and available for use.

Intangible assets

Intangible assets acquired individually or as part of a group of other assets are initially recognized and measured at cost. Intangible assets with finite useful lives are amortized over their useful lives. Intangible assets with indefinite useful lives are reviewed annually for impairment. The Organization has no intangible assets with indefinite useful lives.

The amortization methods and estimated useful lives of intangibles assets are as follows:

Exhibitor relationships	5 years
Sponsor relationships	5 years
Show name and marketing materials	5 years

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2009

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Inventory

Inventory is valued at the lower of cost and net realizable value. Net realizable value is defined as estimated selling price less estimated selling cost. Cost is determined using the weighted average cost method. Included in expenses is \$8,900,823 (2008 - \$8,230,681) for the costs of inventory sold during the year.

Goodwill

Goodwill represents the excess of the purchase price of an acquisition over the estimated fair value of the underlying net assets acquired at the date of acquisition. Goodwill arising from acquisition is not amortized and is tested for impairment annually, or more frequently if events or changes in circumstances indicate the asset might be impaired. Impairment is tested by comparing the carrying amount of the reporting unit, including goodwill, with its fair value. Fair value is determined using the discounted, estimated future operating cash flows of the reporting unit. When the fair value of the reporting unit exceeds its carrying value, goodwill of the reporting unit is not considered to be impaired. When the carrying value of the reporting unit exceeds its fair value, the implied fair value of the reporting unit's goodwill, determined in the same manner as the value of goodwill is determined in a business combination, is compared with its carrying amount to measure the amount of the impairment loss, if any. A reporting unit comprises business operations with similar economic characteristics and strategies, and is the level of reporting at which goodwill is tested for impairment.

Capital leases

Leases that substantially transfer all of the benefits and risks of ownership of property to the Organization are accounted for as capital leases whereby the asset and related obligation are recorded to reflect the acquisition and financing of the capital assets. Equipment recorded under capital leases is depreciated on the same basis as described above.

Revenue recognition

Racing and gaming revenues consist of pari-mutuel commissions and gaming wins net of patron winnings. Racing and gaming revenue is recognized at the time amounts are wagered.

Event production revenue is recognized when the event occurs. Proceeds received in advance for events produced by Northlands are recorded as deferred revenue whereas proceeds received in advance for events produced by third parties are recorded as funds held for others.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2009

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The Organization follows the deferral method of accounting for grants and contributions. Amounts externally restricted for capital purposes, including the acquisition of property for expansion, construction of facilities or retirement of capital debt, are credited to "Contributions for expansion of facilities and capital debt retirement" and are amortized into income each year on the same basis as the related assets are depreciated.

Unrestricted contributions are recognized as revenue when received or receivable. Externally restricted grants and contributions are deferred and recognized into income at the time the related expenses are incurred.

Contributed services

A substantial number of unpaid volunteers make significant contributions of their time in developing the Organization's programs. The value of this contributed time is not reflected in these financial statements since objective measurement or valuation is not readily determinable.

Non-monetary transactions

The revenue and expenses resulting from non-monetary transactions have been recorded at the fair market value of the asset or service received, as it is the most readily determinable. During 2009, the Organization provided and received services and products in kind of approximately \$460,826 (2008 - \$497,409).

Pension costs

The Organization participates in a multi-employer plan covering substantially all permanent, full-time employees. The pension plan is accounted for as a defined contribution plan whereby the Organization's required contributions are recognized in the period in which they are incurred. Included in expenses for 2009 is \$1,701,893 (2008 - \$1,505,779) in respect of pension contributions incurred for eligible employees.

Income tax status

The Organization is a not-for-profit organization within the meaning of the Income Tax Act of Canada and is exempt from income taxes.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2009

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Future accounting changes

In January 2009, the CICA issued Handbook Section 1582 – Business Combinations, Section 1601 – Consolidations and Section 1602 – Non-controlling interests. Section 1582 specifies a number of changes including: an expanded definition of a business, a requirement to measure all business acquisitions at fair value, a requirement to measure non-controlling interest at fair value and a requirement to recognize acquisition related costs as expense. Section 1601 establishes the standards of preparing consolidated financial statements. Section 1602 specifies that non-controlling interest be treated as a separate component of equity, not a liability or other component of equity. The new standards will become effective in 2011. Early adoption is permitted. The new sections will only have an impact on the Organization's consolidated financial statements for future acquisitions that may occur in periods subsequent to the date of adoption.

3. CAPITAL DISCLOSURE

Effective January 1, 2008, CICA Handbook Section 1535, Capital Disclosures, was adopted. This standard requires the disclosure of both qualitative and quantitative information that enables financial statement users to evaluate the objectives policies and processes for managing capital.

The directors of Edmonton Northlands are elected volunteers who are not paid for their services. The shareholders of Edmonton Northlands, who are also volunteers, cannot receive dividends, nor can their shares appreciate in value. Shares cannot be sold, held by persons residing South of Township 34 in the Province of Alberta or by the estates of deceased shareholders.

The Organization's objectives in managing capital are to safeguard the Organization's ability to continue as a going concern. Capital is defined by the Organization as net assets, long-term debt and contributions for expansion of facilities and capital debt retirement. In addition to providing financial capacity and flexibility to meet strategic objectives, capital is managed to re-invest excess cash into the organization's facilities and programs.

The Organization is subject to margining requirements under its bank credit facility which limit its borrowings to the lesser of its credit limit and its available borrowing base that is determined mainly by cash deposits. As at December 31, 2009, the Organization was in compliance with these margin requirements.

In order to facilitate the management of its capital requirements, the Organization prepares annual expenditure budgets, which are approved by the Board of Directors and updated as necessary depending on various factors, including capital deployment and general economic conditions.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2009

4. FINANCIAL INSTRUMENTS

Financial instruments of Northlands include cash and cash equivalents, restricted cash, accounts receivable, due from related party, bank indebtedness, accounts payable and accrued liabilities, funds held for others and long-term debt.

All financial assets must be classified as held-to-maturity, loans and receivables, held-for-trading or available-for-sale and all financial liabilities must be classified as held-for-trading or other. These sections also establish standards for the presentation of financial instruments, equity and changes in equity.

Financial instruments classified as held-for-trading will be measured at fair value with changes in fair value recognized in net earnings. Financial assets classified as held-to-maturity or as loans and receivables and financial liabilities not classified as held-for-trading will be measured at amortized cost. Available-for-sale financial assets will be measured at fair value with changes in fair value recognized directly in net assets.

The Organization classified the relevant financial assets and liabilities in accordance with the new provisions as follows;

Held for trading

- Cash
- Restricted cash

Loans and accounts receivable

- Accounts receivable
- Due from related party

Other financial liabilities

- Bank indebtedness
- Accounts payable and accrued liabilities
- Long term debt
- Funds held for others

All derivative financial instruments are reported on the balance sheet at fair value with changes in fair value recognized in net earnings, unless the derivative is part of a hedging relationship that qualifies as a fair value hedge, cash flow hedge or hedge of a net investment in a self-sustaining foreign relationship. The amounts recognized in net assets will be reclassified to net earnings in the periods in which net earnings are affected by the variability in the cash flows of the hedged item. In a hedge of a net investment in a self-sustaining foreign operation, the effective portion of the gain or loss on the hedging item is recognized in net assets and the ineffective portion is recognized in net earnings.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2009

4. FINANCIAL INSTRUMENTS (CONTINUED)

The Organization has elected to continue using the disclosure and presentation requirements of CICA Handbook Section 3861 – Financial Instruments – Disclosure and presentation, rather than transitioning to the provisions of Section 3862 – Financial Instruments – Disclosure and Section 3863 – Financial Instruments – Presentation. This exemption is specifically allowed for under the provisions of the aforementioned sections.

Fair values of financial assets and liabilities

The fair values of financial instruments excluding long-term debt approximate their carrying amount due to the short-term maturity of these instruments. The fair value of long-term debt approximates its carrying value as management believes the respective interest rates are commensurate with the credit, interest rate and prepayment risks involved and reflect fair value.

Credit risk

The Organization's accounts receivable are due from a diverse group of customers and as such, are subject to normal credit risks. At December 31, 2009, 43.5% (2008 – 43.2%) of accounts receivable is due from Horse Racing Alberta "HRA" and an additional 3.9% (2008 – 3.6%) is due from a single third party. The Organization does not anticipate any difficulties in collecting these amounts.

Interest rate risk

The Organization is exposed to interest rate cash flow risk on its floating rate debt, as the required cash flows to services the debt will fluctuate, as a result of changes in market rates.

Currency risk

The Organization holds a USD bank account and processes payments to US vendors through the account, mitigating the risk associated with large changes in the exchange rate. In 2009 the loss on foreign exchange was \$38,951 (2008 – loss of \$105,348).

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2009

5. CAPITAL ASSETS

	2009		2008	
	Cost \$	Accumulated depreciation \$	Cost \$	Accumulated depreciation \$
Rexall Place	31,276,536	22,617,606	31,276,536	21,742,564
Expo Centre	176,613,043	21,960,236	90,591,246	20,301,334
Spectrum	40,202,774	27,700,911	40,202,774	26,451,368
Other buildings and improvements	23,981,268	16,721,311	23,981,268	15,882,613
Equipment	53,381,906	40,079,259	50,026,587	36,623,541
Construction in progress	—	—	33,993,254	—
Properties acquired for future expansion	15,292,112	—	15,292,112	—
	340,747,639	129,079,323	285,363,777	121,001,420
Net book value	211,668,316		164,362,357	

Included in capital assets for Expo Centre is equipment under capital lease with a cost of \$813,238 (2008 - \$nil) and accumulated depreciation of \$24,397 (2008 - \$nil). In 2008, included in equipment is equipment under capital lease of \$2,294,186 and accumulated depreciation of \$2,220,050. These leases matured in 2009. The total net loss on the disposal of capital assets in 2009 was \$14,484 (2008 - loss of \$273,570). Included in the cost of capital assets is interest capitalized during the year for an amount of \$2,284,657 (2008 - \$nil).

During the year, \$86,022,300 (2008 - \$49,517,086) was transferred from construction in progress to the capital cost of the Expo Centre.

In 2009, Northlands entered into capital lease agreements with National Leasing for \$813,238. The sale and lease back agreements commenced on January 12, 2009, with an interest rate of 6.97%.

City of Edmonton land lease

The land on which the Organization's facilities are located, including properties acquired for future expansion, is held in the name of the City of Edmonton (the "City") and leased to the Organization for a rent of \$1 per year. The lease expires in 2034. At the expiration or earlier termination of the lease, the buildings and improvements on the leased lands will revert to the City. Provided that the Organization is in good standing, the City is obligated to grant a renewal lease for a further term of 15 years at a cost, and upon other terms and conditions, to be agreed upon by the parties.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2009

6. INTANGIBLE ASSETS

	2009		2008	
	Cost	Accumulated amortization	Cost	Accumulated amortization
	\$	\$	\$	\$
Exhibitor relationships	456,960	213,248	456,960	121,856
Sponsor relationships	39,421	18,397	39,421	10,512
Show name and marketing materials	216,405	100,988	216,405	57,708
	712,786	332,633	712,786	190,076
Net book value	380,153		522,710	

7. GOODWILL

	2009	2008
	\$	\$
Balance, beginning of year	437,214	287,214
Purchase price adjustment	—	150,000
Balance, end of year	437,214	437,214

In 2008, as part of the acquisition of the Farm and Ranch Show, the Organization paid a contingent price adjustment of \$150,000 based on the percentage of original show exhibitors retained for the 2008 event. There is no further contingent consideration outstanding on this acquisition.

8. BANK INDEBTEDNESS

	2009	2008
	\$	\$
Bank indebtedness	2,443,193	6,871,700

The Organization has an operating facility with interest at prime to a maximum of \$7,500,000 (2008 – \$7,500,000). The bank holds, as collateral for the operating facility, a general security agreement providing a first security interest on all property.

At December 31, 2009 the prime bank lending rate was 2.25% (2008 – 3.50%) and included in this availability is up to \$5,000,000 in commercial letters of credit, for purposes other than guaranteeing the obligations of third parties. The Organization has issued \$1,715,000 (2008 - \$1,825,000) in letters of credit. The bank holds, as collateral for the operating and term loans, a general security agreement providing a first security interest on all property except for the scoreboard for which it has a second charge, a general assignment of book debts, an assignment of the Rexall Sports Corporation License Agreement and an assignment of the Organization's Alberta Lottery grant proceeds. At December 31, 2009 the term bank loan also included a guarantee and general security agreement from Kirkness Lake Ventures.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2009

9. FUNDS HELD FOR OTHERS

Funds held for others include advance ticket sales, telephone account betting deposits, employee savings plan deposits, and other amounts held on behalf of other parties. Employee savings plan deposits bear interest at prime less 1.5 % and are collateralized by a letter of credit from the Organization's bank in the amount of \$1,100,000. The Organization holds a total of \$3,111,696 (2008 - \$8,974,392) on behalf of third parties.

10. LONG-TERM DEBT

	2009 \$	2008 \$
City of Edmonton loan for the Rexall Place scoreboard due September 30, 2021, interest rate 6.0%, annual installments of \$270,272 principal and interest. The City of Edmonton loan for the Rexall Place scoreboard is collateralized by the scoreboard which has a net book value of \$1,937,500 (2008 - \$2,092,500) [note 19].	2,265,918	2,392,634
City of Edmonton loan for the Expo Centre due March 15, 2034, interest rate 5.066%, annual installments of \$2,022,984 principal and interest.	56,420,826	—
City of Edmonton loan for the Expo Centre due March 15, 2014, interest rate 2.538%, annual installments of \$214,223 principal and interest.	1,811,157	—
Term bank loan primarily for the Spectrum, interest at prime, monthly installments until December 30, 2009 of \$75,000 (2008-\$75,000) plus interest, with a balloon payment due by February 28, 2010 for the balance [note 8].	100,000	1,000,000
Capital lease obligations with terms of 48 months (2008 – 36 months), interest rates at 6.97% (2008 – 8.17%), and average total monthly payments of \$16,688 (2008 - \$1,259).	638,255	10,996
	61,236,156	3,403,630
Amount due within one year	(2,053,387)	(1,137,710)
	59,182,769	2,265,920

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2009

10. LONG-TERM DEBT (CONTINUED)

The City of Edmonton loans for the Expo Centre are collateralized by a land lease. [note 5]

The fair market value of the City of Edmonton loan at December 31, 2009 has been estimated using year-end blended market rates of 6.32% (2008 – 4.0%). This fair market value, which would result in a gain of \$6,654,934 for 2009 (2008 – loss of \$301,241) approximates the amount the Organization would benefit from if the loan agreement was and could be closed out at December 31, 2009.

The principal repayments of these borrowings to continue under the terms:

	Long-term debt \$	Capital lease obligations \$	Total \$
2010	1,839,630	219,645	2,059,275
2011	1,801,546	215,264	2,016,810
2012	1,885,038	215,264	2,100,302
2013	1,972,628	34,952	2,007,580
2014	1,837,298	—	1,837,298
Thereafter	51,261,761	—	51,261,761
	60,597,901	685,125	61,283,026
Less related interest	—	(46,870)	(46,870)
	60,597,901	638,255	61,236,156

11. CONTRIBUTIONS FOR EXPANSION OF FACILITIES

Accumulated restricted contributions received less amounts amortized are summarized as follows:

	2009 \$	2008 \$
Grants and contributions		
Province of Alberta - lotteries	66,811,405	66,811,405
Province of Alberta - other	80,857,380	80,835,386
Horse Racing Alberta	6,215,680	6,215,680
Government of Canada	17,848,043	9,100,000
City of Edmonton	5,811,140	6,046,971
Total grants and contributions received	177,543,648	169,009,442
Accumulated amortization	(73,926,967)	(70,362,641)
Unamortized grants and contributions	103,616,681	98,646,801

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2009

12. COMMITMENTS AND CONTINGENCIES

Operating leases

The Organization is party to equipment operating leases with terms up to two years and is party to a sub-lease with a remaining term of two years. Minimum lease payments for future years are:

	\$
2010	256,000
2011	177,000

Litigation

During the normal course of business activity the Organization is occasionally involved in litigation proceedings. At December 31, 2009, certain lawsuits and other claims were pending against the Organization. As these arise, the Organization makes appropriate accruals for such matters. While the outcome of these matters is subject to future resolution, management's evaluation and analysis of such matters indicates that, individually and in the aggregate, the probable ultimate resolution of such matters will not have a material effect on the Organization's consolidated financial statements.

Other

Northlands has an agreement with the City of Edmonton regarding the sharing of profits from the operations of Rexall Place. The agreement specifies that Northlands will share operating profits from Rexall Place based on a formula wherein the City will receive 20% of the excess of the current year's net earnings of Rexall Place less the average of the previous 5 year's net earnings, adjusted for inflation, of Rexall Place. The total profit share paid to the City for fiscal 2004 to 2009 is \$2,363,553. Per the agreement with the City, the proceeds are held in reserve, then drawn down to assist in funding facility capital improvements at Rexall Place. At the end of 2009, the balance of the reserve is \$ nil (2008 - \$1,970,678)

13. SHARE CAPITAL

	2009 \$	2008 \$
Authorized		
300 Shares of \$5 each		
Issued		
286 Shares (2008 - 281 shares)	1,430	1,405

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2009

14. BUSINESS UNITS

The Organization organizes itself into four primary business units based on the nature of the products or services provided.

	2009 \$	2008 \$
Revenues		
Northlands Major Events	15,893,953	16,698,854
Agriculture	2,917,928	3,634,228
Racing and Gaming	69,262,157	76,971,702
Sales, Hospitality and Client Services	46,467,913	42,148,503
	134,541,951	139,453,287
Expenses		
Northlands Major Events	14,267,561	14,783,922
Agriculture	3,529,842	4,278,197
Racing and Gaming	76,313,317	81,652,008
Sales, Hospitality and Client Services	41,223,527	37,339,758
	135,334,247	138,053,885
Event contributions		
Northlands Major Events	1,626,392	1,914,932
Agriculture	(611,914)	(643,969)
Racing and Gaming	(7,051,160)	(4,680,306)
Sales, Hospitality and Client Services	5,244,386	4,808,745
	(792,296)	1,399,402
Business unit net earnings (loss)		
Northlands Major Events	1,494,643	1,758,470
Agriculture	(788,875)	(829,418)
Racing and Gaming	1,233,037	1,043,994
Sales, Hospitality and Client Services	6,495,103	5,766,999
Indirect grounds, general expenses and other income	(6,378,664)	(7,174,153)
	2,055,244	565,892

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2009

15. INTEREST EXPENSE

	2009 \$	2008 \$
Long-term debt interest	442,277	338,792
Short-term debt interest and interest income earned	279,140	145,949
	721,417	484,741

16. GRANT INCOME

	2009 \$	2008 \$
Alberta Lottery Fund – Agricultural and Economic Initiatives	10,000,000	10,000,000
Horse Racing Alberta [note 18]	9,722,275	7,258,337
City of Edmonton Support Agreement	2,443,311	2,388,355
	22,165,586	19,646,692

Alberta Lottery Fund

Each year, the Organization receives financial support by way of an unconditional grant from the Alberta Lottery Fund in recognition of Northlands' contribution to the economy and its efforts to enhance and promote initiatives in the province through Alberta's agricultural societies.

City of Edmonton Support Agreement

The City of Edmonton Support Agreement provides a contribution towards Rexall Place operating cost of \$183,333 per month or \$2,200,000 per year until May 12, 2013. The \$2,200,000 is adjusted for inflation annually, commencing January 1, 2005. The Organization will be required to renegotiate the agreement with the City if there is a material change in the financial status of Northlands or Rexall Place during the term of the agreement.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2009

16. GRANT INCOME (CONTINUED)

Other Grants

Northlands also receives additional funding from various levels of Government which are included in Revenues (*note 14*). Grants received during the year are applied as follows:

Nature of Grant	Applied to	2009 \$	2008 \$
Agricultural Grants	Agricultural and Commercial Events	345,791	145,626
City of Edmonton	Canadian Finals Rodeo (Northlands Major Events)	—	134,000
Alberta Lottery Fund	Canadian Finals Rodeo (Northlands Major Events)	250,000	250,000
		595,791	529,626

17. RACING ENTERTAINMENT CENTRE ("REC")

The Organization has a Racing Entertainment Centre Agreement ("RECA") with the Alberta Gaming Liquor Commission ("AGLC") which provides for an 85% AGLC, 15% Northlands net slot win split, with the Organization's share of the proceeds to offset expenses of the slot operations. As part of the RECA the Organization is required to maintain a Class 'A' racing license as well as conduct a minimum of 100 days of live racing. The RECA contains a seven day termination clause that may be exercised at AGLC's discretion.

During the year the Organization's REC had a net slot win of \$37,022,498 (2008 - \$39,801,458) which has been applied to Event production revenue – racing. Of this balance, \$31,400,119 (2008 - \$33,788,871) was remitted to the AGLC which has been included in Event production expenses – racing and gaming.

The slot net win from the Organization's REC operation has been distributed as follows:

	2009	2008
Northlands	15.00%	15.00%
Alberta Gaming and Liquor Commission	33.33%	33.33%
Horse Racing Alberta	51.67%	51.67%

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2009

18. HORSE RACING ALBERTA ("HRA")

HRA general fees, levies and gaming commissions paid by the Organization total \$5,211,923 (2008 - \$5,467,383) and have been included in Event production expenses – racing and gaming. The discretionary grant received from HRA of 0.95% of the gross handle totals \$832,020 (2008 - \$964,104) and has been included in Event production revenues – racing and gaming. Gross handle is the total amount of money wagered by patrons.

During the year the Organization received an operating grant based on 18.33% (2008 – 18.33%) of slot net win totaling \$6,824,820 (2008 - \$7,258,337). The operating grant is received to offset the expenses of ongoing racing activities. In addition, a transitional grant of \$2,897,455 was received in 2009 (2008 – \$1,078,410) and a marketing grant of \$nil (2008 - \$497,111) was also received.

19. REXALL SPORTS CORPORATION LICENSE

On June 30, 2008, Rexall Sports Corporation ("RSC") purchased the Edmonton Oilers from the Edmonton Investors Group Limited.. The purchase included a License Agreement which expires June 30, 2014. Under the terms of this agreement, Northlands continues the management and operations of Rexall Place. The License Agreement grants RSC the right to receive all Oiler game revenues, including net Oiler food and beverage contributions. RSC is also entitled to all building advertising and sponsorship revenues, suite rental revenues, Oiler ticket surtax revenues as well the Rexall Place parking lot revenue. Northlands is responsible for building operating and capital costs, including the building event costs related to the playing of professional hockey. Under the Agreement, Northlands receives from RSC building rent of \$1 per annum plus a contribution towards operating costs of \$73,180 per month or \$878,166 per annum for the period July 1, 2004 to June 30, 2014. The RSC contributions are adjusted annually based on the Consumer Price Index (2009 - \$1,182,089; 2008 - \$1,148,695).

The License Agreement includes an additional annual contribution of \$270,272 for the use of the scoreboard until September 30, 2021. RSC has agreed to pay a lesser amount than the loan should the Edmonton Oilers cease to play hockey in Rexall Place during the term of the loan.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2009

20. DUE FROM RELATED PARTY

On January 23, 2008, Northlands entered into an agreement to acquire the assets of City Centre Raceway GP Ltd. related to the Edmonton Grand Prix. The assets acquired include contracts, intellectual property, and licenses applicable to the Edmonton Grand Prix racing event. The purchase price was \$3,277,000 and was financed from grant monies received. The assets purchased were assigned to Kirkness Lake Ventures ("KLV") effective February 15, 2008. Northlands controls Kirkness Lake Ventures by virtue of the fact that it is a wholly owned subsidiary. KLV was established as a not for profit organization to acquire the assets and manage the business of City Centre Raceway GP Ltd., related to the Edmonton Grand Prix. KLV was incorporated under the Part 9 of the Companies Act of Alberta and under the Income Tax Act is exempt from income taxes. Northlands has not consolidated Kirkness Lake Ventures into their financial statements.

	2009	2008
	\$	\$
Due from related party	2,738,268	6,503,490

The related party transactions are incurred during the normal course of operations and are recorded at their exchange amounts, which is the amount of consideration established and agreed to by the related parties. Included in the due from related party is \$512,191 (2008 - \$512,191), which relates to amounts that Northlands paid that were not originally accounted for in the original purchase agreement.

A financial summary of the unconsolidated entity as at December 31, 2009 and for the year then ended is as follows:

Kirkness Lake Ventures, as at December 31

	2009	2008
	\$	\$
Financial Position		
Asset	3,042,139	8,307,429
Liabilities	4,383,963	9,364,371
Net Assets	(1,341,824)	(1,056,942)

Results of Operations

Revenues, including grant income	13,875,568	17,362,574
Expenses	(14,160,450)	(18,419,518)
Net loss	(284,882)	(1,056,944)

Cash Flows

Cash from operating	208,323	298,505
Cash from investing and financing	(198,936)	(307,063)
Bank indebtedness, beginning of period	(8,558)	—
Cash provided by (used in)	829	(8,558)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

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21. SUPPLEMENTAL CASH FLOW INFORMATION

	2009 \$	2008 \$
Cash items in investing and financing activities		
Cash interest paid	325,495	389,671
Non cash items in investing and financing activities		
Purchase of assets under capital lease	(813,238)	—

22. COMPARATIVE FIGURES

Certain of prior year's figures have been reclassified to conform to the current year's presentation.





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